
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
of the Commonwealth of Kentucky

Bond Ordinance
AUTHORIZING AND SECURING
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
Qualified Energy Conservation Bonds, Series 2009

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ORDINANCE NUMBER __, SERIES 2009

AN ORDINANCE OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AUTHORIZING THE ISSUANCE OF CERTAIN QUALIFIED ENERGY CONSERVATION BONDS OF THE METRO GOVERNMENT AUTHORIZING THE ISSUANCE OF SUCH BONDS TO FINANCE THE COSTS OF PROJECTS FOR QUALIFIED CONSERVATION PURPOSES; SETTING FORTH THE TERMS AND CONDITIONS ON WHICH THE BONDS ARE TO BE ISSUED AND SOLD; DEFINING AND PROVIDING FOR THE RIGHTS OF THE HOLDERS OF THE BONDS AND PROVIDING FOR THE APPLICATION OF THE PROCEEDS THEREOF; AND TAKING OTHER RELATED ACTION.

Sponsored By: Councilman Jim King, District 10

WHEREAS, the Issuer has determined that it is necessary, desirable and in the public interest to finance and/or refinance the costs of the public projects hereinafter described, through the incurrence of indebtedness as herein described by the sale and issuance of the Issuer's "Qualified Energy Conservation Bonds, Series 2009", (the "Bonds") for the payment of which the full faith, credit and taxing power of the Issuer are pledged pursuant to this Bond Ordinance; and

WHEREAS, it is the desire and intent of the Issuer at this time to enact this Bond Ordinance which, among other things, authorizes and provides for the issuance of the Bonds for the purpose aforesaid and sets forth the restrictions and conditions on which the Bonds are to be issued and outstanding; and

WHEREAS, Sections 66.011 through 66.191 of the Kentucky Revised Statutes ("KRS"), "General Provisions on Bonded Indebtedness of Local Governments" (collectively, the "Act"), providing for the issuance of bonds, notes, commercial paper and other instruments for one or more of the following purposes, with a maximum bond maturity of not exceeding forty (40) years: [i] paying all or any portion of the costs of the acquisition, improvement or construction of public projects (provided bonds for such purpose shall have a maximum maturity not exceeding the good faith estimated life or period of usefulness of the public project, or if the issue includes more than one public project, a maximum maturity not exceeding the good faith estimated weighted average number of years of life or period of usefulness of the public projects), [ii] funding floating indebtedness (provided bonds for such purpose shall have a maximum maturity of five (5) years), [iii] funding the cost of providing a public service if the governing body of the issuer determines that an emergency exists and the public health or safety so requires, [iv] to fund unfunded liabilities, [v] to establish a reserve for past or future liabilities or casualties, [vi] to pay one or more final judgments rendered against an issuer, including settlement of claims approved by the court and [vii] to fund or refund any outstanding bonds or obligations previously issued; and

WHEREAS, Subsection (1) of Section 66.101 of the Act provides that the authorizing bond legislation shall [i] declare the necessity of the bond issue, [ii] state the principal amount or maximum principal amount of the bonds to be issued, [iii] state the purpose of the bond issue, [iv] state or provide for the date of, and the dates and amounts or maximum amounts of, maturities or principal payments on the bonds, [v] state any provisions for a mandatory sinking fund, mandatory sinking fund redemption or for redemption prior to maturity, [vi] provide for the rate or rates of interest, or maximum rate or rates of interest, or the method from time to time for establishing or determining the rate or rates of interest to be paid on the bonds and [vii] state any provision for a designated officer of the issuer to determine any of the specific terms required to be stated or provided for in such section, subject to any limitations stated in the proceedings; and

WHEREAS, Subsection (2) of Section 66.101 of the Act provides that [i] the legislation authorizing issuance of bonds shall identify the source or sources of payment of debt charges on the bonds, which may be any moneys of the issuer required by law to be used, or lawfully available and [ii] such legislation shall provide (but only to the extent the amount lawfully available from existing taxes is insufficient) for the levying of a tax sufficient in amount to pay the debt charges on the bonds issued under the legislation; and

WHEREAS, Subsection (1) of Section 66.111 of the Act provides that the issuer shall, after the issuance of the bonds (and to the extent the amount lawfully available from existing taxes is insufficient), levy a tax in a sufficient amount and appropriate in its annual budget, together with any other moneys available to the issuer, an amount of funds sufficient to pay debt charges on the bonds; and

WHEREAS, Subsection (2) of Section 66.111 of the Act provides that if the issuer determines it to be necessary and appropriate, and if not prohibited by other law, proceedings relating to issuance of the bonds may contain or provide for a pledge to the payment of debt charges on the bonds, and a related covenant to levy, charge, collect, deposit, and apply, receipts of the issuer (including but not limited to ad valorem property taxes as permitted by law, occupational license fees, insurance premium taxes, excises, utility and service revenues and any other receipts from taxes, excises, permits, licenses, fines or other source of revenue of, or of revenue distributions to, the issuer); provided no such pledge or covenant may be made that impairs the express contract rights of the holders of outstanding bonds of the issuer; and

WHEREAS, the Project (hereinafter defined), constitutes a public project within the meaning of the Act, and the weighted average number of years of life or period of usefulness thereof, as estimated by the Issuer exceeds the maximum maturity of the Bonds authorized to be issued and sold pursuant to this Bond Ordinance; and

WHEREAS, on issuance of the Bonds authorized to be issued and sold pursuant to this Bond Ordinance, the total indebtedness of the Issuer within the meaning of Section 158 of the Kentucky Constitution, and the total net indebtedness of the Issuer within the meaning of the Act, do not exceed any applicable limitation based on the total value of taxable property within the consolidated local government as determined by the last certified assessment with respect to such property; and

WHEREAS, the Issuer desires to issue Bonds that qualify as QECBs (as defined below) pursuant to Sections 54D and 54A of the Code and IRS Notice 2009-29 for qualified energy conservation purposes; and

WHEREAS, all acts, conditions and things required by the constitution and laws of the Commonwealth and by the requirements applicable to the Issuer to happen, exist and be performed precedent to and in the execution and delivery of this Bond Ordinance and the issuance of the Bonds have happened, have existed and have been performed as so required in order to make this Bond Ordinance a valid and binding contract for the benefit of Bondholders (hereinafter defined) in accordance with the terms and provisions hereof.

NOW, THEREFORE, BE IT ORDAINED BY THE METRO COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, AS FOLLOWS:

ARTICLE 1. INTRODUCTION AND DEFINITIONS

SECTION 1.1. Incorporation of Preambles Into Bond Ordinance; Determinations of Fact. It is hereby determined and declared that all statements of fact set forth in the preambles to this Bond Ordinance are true and accurate in all respects. Said preambles are hereby incorporated in this Bond Ordinance by reference, the same as if set forth at length herein.

SECTION 1.2. Definitions. As used in this Bond Ordinance, unless the context requires otherwise:

“Accountable Event of Loss of Qualified Energy Conservation Bond Status” means (a) any act or any failure to act on the part of the Issuer, which act or failure to act is a breach of a covenant or agreement of the Issuer contained in the Bond Ordinance or tax certificate regarding the issuance of the Bonds, or the Bonds and which act or failure to act causes the Bonds to lose their status, or fail to qualify, as Qualified Energy Conservation Bonds, or (b) the making by the Issuer of any representation contained in the Bond Ordinance, the tax certificate or the Bonds, which representation was untrue when made and the untruth of which representation at such time causes the Bonds to lose their status, or fail to qualify, as Qualified Energy Conservation Bonds under the Code.

“Act” means collectively, Sections 66.011 through 66.191 of the Kentucky Revised Statutes.

“Agent Member” means a member of, or participant in, the Securities Depository.

“Authorized Denomination” means the authorized denominations of the Bonds, which shall be \$5,000 or any multiple of \$5,000.

“Bond Fund” means the fund created by Section 5.5 of this Bond Ordinance.

“Bondholder,” “bondholder,” “Holder,” or “holder” means the person in whose name a Bond or Tax Credit Certificate is registered on the registration books maintained by the Bond Registrar. Notwithstanding this definition, with respect to any Bonds or Tax Credit

Certificate which are registered in Book-Entry Form, the Bond Registrar shall be entitled to rely on written instructions from a majority of the beneficial owners of the Bonds or Tax Credit Certificate with reference to consent, if any, required from Bondholders under this Bond Ordinance.

“Bond Ordinance” means this ordinance of the Issuer, authorizing and approving the Bonds, as amended or supplemented from time to time in accordance with the provisions hereof.

“Bond Register” means the form or system or document in which the ownership of Bonds is recorded by the Bond Registrar.

“Bond Registrar” means the Bond Registrar selected on behalf of the Issuer by the Mayor, the Deputy Mayor or the Director Office of Management and Budget of the Issuer or by resolution of the Metro Council of the Issuer and appointed pursuant to Section 3.3 hereof (the selection to be pursuant to such additional procedures or provisions, if any, as may be recommended by counsel to the Issuer), and including any successor bond registrar designated as such pursuant to the provisions of this Bond Ordinance. The Bond Registrar shall also serve as paying agent for the Bonds and, if applicable, the interest thereon.

“Bonds” means the Issuer’s “Qualified Energy Conservation Bonds”.

“Book-Entry Form” means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in Bonds and bond service charges may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as Holder, with the physical Bond certificates in the custody of a Securities Depository.

“Code” means the Internal Revenue Code of 1986, as amended to the date of adoption of this Bond Ordinance, or as hereafter amended, including valid regulations of the Department of the Treasury and rulings of the Commissioner of Internal Revenue thereunder.

“Co-Financial Advisors” means Public Financial Management, Inc., 530 Oak Court Drive, Suite 160, Memphis, Tennessee 38117 and Morgan Keegan & Company, Inc., 50 North Front Street, 16th Floor, Memphis, Tennessee 38103.

“Commonwealth” means the Commonwealth of Kentucky.

“Comparable Treasury Issue” means the U.S. Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life, as of the redemption date, of the Bonds to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life, as of the redemption date, of the Bonds to be redeemed.

“Comparable Treasury Price” means (a) if the Designated Investment Banker receives at least four Reference Treasury Dealer Quotations, the average of such quotations for the date on which said Bonds are to be redeemed, after excluding the highest and the lowest

Reference Treasury Dealer Quotations, or (b) if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

“Cost of Issuance Account” means the account created by Section 5.4 of this Bond Ordinance.

“Date of Loss of Qualified Energy Conservation Bond Status” means the date specified in a Determination of Loss of Qualified Energy Conservation Bond Status as the date from and after which the Bonds lost their status, or failed to qualify, as Qualified Energy Conservation Bonds as a result of an Accountable Event of Loss of Qualified Energy Conservation Bond Status, which date could be as early as the date of issuance of the Bonds.

“Designated Investment Banker” means one of the Reference Treasury Dealers designated by the Issuer.

“Determination of Loss of Qualified Energy Conservation Bond Status” means (a) a final determination by the Internal Revenue Service (after the Issuer has exhausted all administrative appeal remedies) determining that an Accountable Event of Loss of Qualified Energy Conservation Bond Status has occurred and specifying the Date of Loss of Qualified Energy Conservation Bond Status, or (b) a non-appealable holding by a court of competent jurisdiction holding that an Accountable Event of Loss of Qualified Energy Conservation Bond Status has occurred and specifying the Date of Loss of Qualified Energy Conservation Bond Status.

“Disclosure Certificate” means the Continuing Disclosure Certificate of the Issuer executed and delivered contemporaneously with the issuance and delivery of a series of Bonds hereunder and dated as of the date of delivery of such Bonds.

“Fiscal Year” means any period of twelve (12) months commencing July 1 of any year and ending June 30 of the ensuing year, or any other fiscal year of the Issuer after recognition of such fiscal year by a supplement to this Bond Ordinance.

“Funds and Accounts” means, collectively, the Bond Fund, the Cost of Issuance Account and the Project Fund.

“General Obligation Debt” means, collectively, the Bonds as may be Outstanding from time to time, as well as all other general obligation debt of the Issuer (including bonds, notes, commercial paper and any other debt instruments in writing, authorized by or issued as general obligations of the Issuer pursuant to or in accordance with the Act) and bond anticipation notes of the Issuer, if any, as may be issued and outstanding from time to time under the Act.

“Investment Obligation” means any investment that the Issuer is authorized to acquire pursuant to the Kentucky Revised Statutes, as amended from time to time, and to the extent, if any, that the funds then proposed for investment are governed by an applicable formal investment policy of the Issuer, which complies with such investment policy.

“Issuer” means the Louisville/Jefferson County Metro Government, a municipal corporation and political subdivision of the Commonwealth.

“Kentucky Revised Statutes” or “KRS” means the Kentucky Revised Statutes as in effect at the date of the adoption of this Bond Ordinance, and any future amendments thereof to the extent that the same will not unconstitutionally impair the obligations of contracts created under the provisions of the Bond Ordinance.

“Official Statement” means collectively one or more final Official Statements of the Issuer relating to the original issuance of the Bonds.

“Official Notice of Sale” means the Official Notice of Sale prepared for distribution to potential bidders prior to the date of sale of the Bonds, including the Notice of Bond Sale, the Official Bid Form for the Bonds and the Official Notice of Sale.

“OMB Director” means the Director of the Office of Management and Budget of the Issuer, or such other official of the Issuer as may from time to time be designated by the Issuer to perform the functions or responsibilities of the Director of the Office of Management and Budget hereunder.

“Outstanding”, when used with reference to any Bonds, means, as of any date, all Bonds theretofore or then being authenticated and delivered under the Bond Ordinance, except:

- (a) any Bonds cancelled by the Bond Registrar at or prior to such date;
- (b) Bonds, in lieu of or in substitution for which other Bonds, shall have been authenticated and delivered; and
- (c) Bonds deemed to have been paid as provided in Section 10.3 hereof.

“Payment Date” means [i] with respect to the Bonds, such date or dates as may be determined by the OMB Director of the Issuer upon the recommendation of the Co-Financial Advisors and except as may be provided pursuant to the procedures established for public sale in Section 4.1 hereof accepting or ratifying bids for the purchase of the Bonds, and any date set for the redemption of Bonds, as herein provided, and [ii] with respect to any other General Obligation Debt (if any), the applicable payment dates set forth or approved in the Issuer’s legislation authorizing issuance of the General Obligation Debt.

“Pledged Receipts” means amounts received by or on behalf of the Issuer (including but not limited to ad valorem property taxes as permitted by law, occupational license fees, insurance premium taxes, excises, utility and service revenues, any available revenues received by the Issuer from tax increment financing not pledged to pay other indebtedness, and any other receipts from taxes, excises, permits, licenses, fines or other source of revenue of, or of revenue distributions to, the Issuer).

“Principal Component” means that portion of a Bond that constitutes principal.

“Principal Strip” means that portion of a Bond that constitutes the Principal Component as separated from the Tax Credit Component.

“Project” means, collectively those public projects (including the costs of acquisition, improvement or construction thereof, in accordance with the Act) that are financed with the proceeds of the Bonds and satisfy qualified conservation purposes under Section 54D of the Code, including the projects more particularly described in Exhibit A hereto.

“Project Fund” means the fund created by Section 5.6 of this Bond Ordinance.

“QECBs” means Qualified Energy Conservation Bonds, as described in Section 54D and related sections of the Code.

“Record Date” means the “Record Date” as defined in Section 3.3 of this Bond Ordinance.

“Redemption Premium” means, as calculated by the Issuer (or, at the Issuer’s option, by its Designated Investment Banker), the greater of (x) zero and (y) an amount calculated as (a) the sum of the present values of the remaining scheduled payments of principal of and tax credits related to the Bonds called for redemption (exclusive of interest accrued to the date of redemption), discounted to the date of redemption on a semiannual basis (assuming a 360-day year, consisting of 12 months of 30 days each) at a rate per annum equal to the Treasury Rate, minus (b) the principal amount of the Bonds called for redemption.

“Reference Treasury Dealer” means the original underwriters of the Bonds, their successors and other firms, as specified by the Issuer from time to time, that are primary U.S. government securities dealers in the City of New York, New York; provided, however, that if any such firm ceases to be such a primary treasury dealer, the Issuer will substitute another primary treasury dealer for such firm.

“Reference Treasury Dealer Quotations” means with respect to each Reference Treasury Dealer, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount), quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding the date on which the Bonds are to be redeemed.

“Revenue Commission” means Louisville/Jefferson County Metro Revenue Commission, as successor in interest to the Louisville and Jefferson County Revenue Commission as previously established and operated under the provisions of City of Louisville Codified Ordinances.

“Securities Depository” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

“Securities Depository Nominee” means any nominee of a Securities Depository and shall initially mean Cede & Co., New York, New York, as nominee of The Depository Trust Company.

“Tax Credit” means a credit against the Federal income tax liability provided in Section 54A of the Code of a registered owner of a Bond or Tax Credit Certificate on one or more Tax Credit Allowance Dates with respect to QECBs.

“Tax Credit Allowance Date” means each March 15, June 15, September 15, and December 15, beginning on the date of issuance of the Bonds and ending on the maturity date thereof.

“Tax Credit Certificate” means the written evidence of the Tax Credit Component and separately registered in the Holder’s name in a notional amount corresponding to the Authorized Denomination of the related Bond.

“Tax Credit Component” means that portion of a Bond that represents the tax credit amount permitted under Sections 54D and 54A of the Code in an amount equal to the product of the published credit rate for the date on which the Bonds are sold by the Treasury times the outstanding principal amount of the Bond divided by four.

“Treasury Rate” means the rate per annum, expressed as a percentage of the principal amount of Tax Credit Bonds to be redeemed, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

“Underwriters” means the successful bidder(s) for the purchase of the Bonds on the competitive sale thereof.

All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Bond Ordinance as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular and when expressed in the plural, shall also include the singular.

All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

ARTICLE 2. BOND ISSUE AUTHORIZED

SECTION 2.1. Authorization and Approval of Documents. This Bond Ordinance is hereby adopted and approved, under authority of [i] the Act, [ii] the general laws and the

Constitution of the Commonwealth, including Sections 158 and 159 of such Constitution and [iii] applicable decisions of the appellate courts of the Commonwealth. All actions of the Revenue Commission, the Issuer, and their respective staffs in the structuring, staffing, planning and preparation of all documentation for the issuance of the Bonds are hereby authorized and ratified.

Subject to the acceptance of a successful bid or bids for the purchase of each series of Bonds pursuant to Section 4.1 hereof, the Issuer hereby further authorizes and approves the entering into and execution and delivery of the following documents substantially in the form presented to the meeting at which this Bond Ordinance is adopted together with such changes as the officers of the Issuer executing the same shall approve, such approval to be conclusively evidenced by their execution thereof: one or more Disclosure Certificates, substantially in the form set forth in Exhibit C hereto. Reference is made to Section 4.1 hereof, with respect to the conditions on which the Official Notice of Sale, the Issuer's Preliminary Official Statement, and the final Official Statement are approved.

All appropriate officers of the Issuer and all appropriate employees or agents of the Issuer are hereby authorized to approve and to execute, acknowledge and deliver on behalf of the Issuer any and all papers, instruments, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for entering into and effecting this Bond Ordinance and the documents herein authorized.

SECTION 2.2. Approval of Use of Proceeds and Authorization for the Bonds; Designation of Bond Counsel and Co-Financial Advisors; Ratification of Official Intent. The financing of the Project, is hereby approved, ratified and affirmed to be necessary and desirable, and to accomplish such purpose the Issuer hereby determines, subject to the acceptance of an acceptable bid or bids for the purchase of the Bonds pursuant to the Official Notice of Sale substantially in the form approved in this Bond Ordinance, to borrow the sum of not to exceed Four Million Dollars (\$4,000,000) (plus or minus ten percent (10%), the exact amount to be specified by the Issuer in its acceptance of the Official Bid Form of the successful bidder for the Bonds, based on recommendation of the Co-Financial Advisors to the Issuer based on the bond market at the time of sale of the Bonds) and to issue the Bonds, in such aggregate principal amount for the financing of the Project, all in accordance with the provisions of the Act and this Bond Ordinance. Any previously expressed intent by the Issuer to proceed with the Project and to be reimbursed for amounts contributed by the Issuer or otherwise paid in connection with the Project is hereby ratified and affirmed. It is further acknowledged, ratified and confirmed that it is the official intent of the Issuer, that costs of the Project incurred after March 1, 2009, may be paid from existing available funds of the Issuer prior to the issuance of the Bonds. The Issuer reasonably expects and intends to be reimbursed for such expenditures from the proceeds of the Bonds. Nothing in this Bond Ordinance, however, shall commit or require the Issuer to issue Bonds in any amount, and the Underwriters shall have no rights with respect to this Bond Ordinance or the Bonds, unless and until the Bonds shall be sold and delivered pursuant to Section 4.1 hereof; and in this regard the Issuer expressly reserves the right to refuse to issue Bonds, for any reason whatsoever in the sole discretion of the Issuer.

The law firms of Wyatt, Tarrant & Combs, LLP and Stites & Harbison, PLLC are designated as Co-Bond Counsel in connection with the Bonds. The firms of Public Financial

Management, Inc. and Morgan Keegan & Company, Inc. are designated as Co-Financial Advisors in connection with the Bonds.

SECTION 2.3. Designation of Bonds. Pursuant to the Act, there is hereby established and created Bonds of the Issuer to be known and designated as “Louisville/Jefferson County Metro Government Qualified Energy Conservation Bonds, Series 2009”. The Bonds are hereby designated by the Issuer as "Qualified Energy Conservation Bonds" pursuant to Section 54D(a)(3) of the Code. Pursuant to Sections 54A and 54D of the Code, the Issuer, by the adoption of this Bond Ordinance, certifies that: (i) no less than 100% of the "available project proceeds" (as defined in Section 54A(e)(4) of the Code) of the Bonds will be used for a "qualified conservation purpose" (as defined in 54D(a)(1) of the Code) within three (3) years from the issue date of the Bonds; (ii) it will enter into a binding commitment with a third party to spend at least 10% of the "available project proceeds" within the six-month period beginning on the issue date of the Bonds; and (iii) the improvements will be completed with due diligence and the available project proceeds will be spent with due diligence. The Issuer hereby certifies that each project is for a qualified conservation purpose in accordance with Section 54D(a)(1) of the Code. The Issuer covenants that it shall not, at any time or times, use any of the "available project proceeds" of the Bonds directly or indirectly to acquire any facilities the acquisition of which does not constitute a "qualified conservation purpose" within the meaning of Section 54D(a)(1) of the Code. The Bonds shall be issued as hereinafter provided, subject to the successful sale thereof pursuant to Section 4.1 hereof.

ARTICLE 3. THE BONDS

SECTION 3.1. Term of Bonds; Form of Bonds; Execution of Bonds.

The Bonds shall initially be dated as of the date of delivery and shall, if applicable, bear interest payable on each Payment Date or (on the recommendation of the Co-Financial Advisors to the Issuer hereinafter identified), if applicable, (on the recommendation of the Co-Financial Advisors to the Issuer) not bear interest. The Bonds are issued as QECBs.

(a) The Bonds shall be issued and reissued by the Bond Registrar, from time to time only as fully registered bonds without coupons in the Authorized Denominations, all as set forth in the form of Bonds which shall be in substantially the applicable form attached hereto as Exhibit B-1 (no interest payment) or B-2 (interest payments), and shall contain a statement pursuant to KRS 66.021(2)(a), to the effect that the Bonds are issued or entered into under or pursuant to authorizing provisions of law. The Bonds, shall initially be issued in Book-Entry Form and registered in the name of the Securities Depository or the Securities Depository Nominee as provided in Section 3.10 of this Bond Ordinance. Unless the Issuer shall otherwise direct, the Bonds shall be numbered serially from 1 upwards or as the Bond Registrar may determine.

(b) The Bonds may bear interest at the rate per annum, if applicable upon the recommendation of the Co-Financial Advisors to the Issuer, as shall be described in the acceptance by the Issuer of the bid or bids of the successful bidder for the Bonds. The Bonds are not subject to mandatory sinking fund redemption. The Issuer covenants to set aside deposits on

December 15 of each year into a sinking fund account to be held by the Bond Registrar and applied to the payment of the principal amount of the Bonds at maturity in annual amounts not more rapid than equal annual installments, as to be further described in the applicable definitive form of the Bond.

(c) The Bonds shall be executed for and on behalf of the Issuer by the manual or reproduced facsimile signature of either the chief executive officer or the deputy or “pro tempore” chief executive officer of the Issuer and by the manual or reproduced facsimile signatures of the applicable clerk of the Issuer, and shall be imprinted with a manual or facsimile of the Seal of the Issuer. The official signatures of said officials of the Issuer shall be valid and binding notwithstanding that before delivery of the Bonds and payment therefor any and all persons whose signatures appear thereon shall have ceased to be such officers.

SECTION 3.2. General Obligation and Liability of Issuer; Tax Levy and Pledge.
The Bonds are general obligations of the Issuer and the full faith, credit and taxing power of the Issuer are hereby irrevocably pledged to the prompt payment of the principal of and, if applicable, interest and premium, if any, on the Bonds when due.

As general obligations of the Issuer, the Bonds shall be and hereby are declared to be payable in accordance with the Act from all lawfully available Pledged Receipts (including, but not by way of limitation, any moneys attributable to Bond proceeds or the income from the temporary investment thereof, moneys held in the Funds and Accounts and any other moneys held by the Bond Registrar for the benefit of the Bonds); provided there shall be no impairment of the express contract rights, if any, of the holders of outstanding bonds of the Issuer. No liability shall attach to the officials or representatives of the Issuer for the payment of principal, interest, if applicable, or premium, if any, on the Bonds.

In order to create a sinking fund to pay and discharge the principal, interest, if applicable, and premium, if any, of the Bonds as the Bonds and any other General Obligation Debt become due, and pursuant to and in compliance with [i] Section 159 of the Constitution of the Commonwealth and [ii] the Act, there shall be and there is hereby levied on all of the taxable property within the consolidated local government, beginning as of the date hereof and continuing in each year as long as any of the Bonds or any other General Obligation Debt is outstanding, a direct annual tax sufficient, to the extent other lawfully available moneys of the Issuer are not provided, for that purpose, which tax shall be unlimited as to rate or amount. The Issuer hereby covenants and pledges to levy, charge, collect, deposit and apply the proceeds of such special annual tax to the payment of such debt charges on the Bonds and any other General Obligation Debt. The Issuer acknowledges, however, that in the current fiscal year no such special tax would actually be required to be levied or collected in order for the Issuer to make payments on the Bonds (and such other General Obligation Debt, if any) when due, there being sufficient other moneys lawfully available to the Issuer for the making of such payments. The Issuer further acknowledges that in no future fiscal year does the Issuer currently expect that a special tax would actually be required to be levied or collected for the Issuer to make payments on the Bonds (and such other General Obligation Debt, if any) when due, the Issuer having projected there shall be sufficient other moneys lawfully available to the Issuer for the making of such payments.

Any and all proceeds derived from the special annual tax authorized above and levied from time to time, together with other lawfully available moneys of the Issuer provided for the purpose, shall be deposited and carried in one or more separate and special accounts of the Issuer (specifically, the Bond Fund hereinafter provided for), held apart from all other funds of the Issuer, and shall be applied only for the purpose of paying the principal of, interest, if applicable, and premium, if any on the Bonds as provided in this Bond Ordinance and principal of and interest (and premium, if any) on any other General Obligation Debt (if any). The proceeds of the special annual tax and the balances accumulated from time to time in the Bond Fund and the subaccounts therein are hereby irrevocably pledged for the purpose of paying the principal of and premium, if any, on the Bonds and the principal of, interest, if applicable, (and premium, if any) on any other General Obligation Debt (if any) and shall never be used for any other purpose. The Issuer hereby covenants and pledges with the Bondholders that the Issuer will levy the special annual tax in each year at whatever rates may be necessary from time to time in order to produce the amounts required in each year, to the extent funds are not otherwise provided, to pay the principal of, interest, if applicable and premium, if any on the Bonds and the principal of and interest (and premium, if any) on such other General Obligation Debt (if any) when due.

If principal, interest, if applicable, or premium, if any, on the Bonds or the principal of and interest (and premium, if any) on any other General Obligation Debt should fall due in any year at a time when there are insufficient funds on hand, collected by reason of the foregoing special tax levy, such principal and interest, if any, and premium, if any, shall be paid from other available funds of the Issuer and reimbursement therefor shall be made out of the special tax hereby provided, when the same shall have been collected.

This Bond Ordinance also constitutes a continuing appropriation from such taxes and all other lawfully available Pledged Receipts, of the sum annually necessary to pay the principal of, interest, if applicable, and premium, if any, on the Bonds and the principal of and interest (and premium, if any) on such other General Obligation Debt when due. The Revenue Commission is hereby authorized to collect occupational taxes and any other amounts received by or on behalf of the Issuer, and to apply the same to the payment of debt charges on the Bonds and such other General Obligation Debt and all other obligations due or coming due under the Bond Ordinance or otherwise with respect to such General Obligation Debt.

Payment of the principal of, interest, if applicable, and premium, if any, on the Bonds and the principal of and interest (and premium, if any) on such other General Obligation Debt when due in accordance with the foregoing provisions is subject only to the prior application of the Pledged Receipts in accordance with the express contract rights, if any, of the holders of outstanding bonds of the Issuer as provided pursuant to the Act.

SECTION 3.3. Appointment of Bond Registrar. Pursuant to the Act and this Bond Ordinance, the Bond Registrar is hereby appointed as Bond Registrar, having the duties hereinafter set forth. The fifteenth day of the month prior to the date established for payment of principal, interest, if applicable, or premium on the Bonds, whether by maturity, acceleration or redemption, is hereby established as the record date for the Bonds (the "Record Date"). The Bond Registrar may treat for all purposes the person in whose name any Bond is registered on

the Record Date, on the registration books kept by the Bond Registrar, as the absolute owner thereof.

SECTION 3.4. A. Procedures in Respect of Registration and Transfer of Bonds; Payment of Principal and Interest, if any. Interest, if applicable, on each Bond not registered in Book Entry Form to a Securities Depository shall be payable by check mailed by the Bond Registrar to the Holder thereof as of the Record Date, at the address shown on the registration books kept by the Bond Registrar or at such other address as is furnished to the Bond Registrar in writing by such Holder. The principal of and premium, if any, on the Bonds not registered in Book-Entry Form to a Securities Depository shall be payable, without exchange or collection charges, in lawful money of the United States of America on their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption or acceleration, at the principal trust office of the Bond Registrar. On request of a Holder of at least \$1,000,000 in aggregate principal amount of the Bonds, all payments of principal of and premium, if any, or interest, if applicable, on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder.

Principal of, and premium, if any, and interest, if applicable, on Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Bond Registrar to the Securities Depository or its nominee. So long as any Bonds remain Outstanding, the Bond Registrar shall keep and maintain at its designated trust office complete registration records in respect of the Bonds and shall provide for the registration of transfer and exchange of the Bonds in accordance with the terms of this Bond Ordinance, subject to such reasonable procedures and regulations as the Bond Registrar may prescribe.

Except as may be otherwise provided in Section 3.10 below for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Bond shall be transferable or exchangeable only on the presentation and surrender thereof at the designated trust office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Holder or his authorized representative.

Except as may be otherwise provided in Section 3.10 below for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, Bonds shall be exchangeable for a Bond or Bonds of the same maturity and interest rate in Authorized Denominations, within a single maturity in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Bond Registrar shall be and is hereby authorized to authenticate, deliver and exchange Bonds in accordance herewith. Each Bond delivered in exchange for a surrendered Bond shall constitute an original contractual obligation of the Issuer and shall be entitled to the benefits and security of this Bond Ordinance to the same extent as the Bond or Bonds in lieu of which any Bond is delivered in exchange. Any Bonds surrendered for exchange shall be cancelled by the Bond Registrar and the Bond Registrar shall maintain a complete record of all exchanges, transfers and cancellations of Bonds and shall make a report thereof to the Issuer on request.

Except as may be otherwise provided in Section 3.10 below for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository

Nominee, no service charge or other transfer fee shall be charged in connection with any transfer or exchange of a Bond. However, the registered owner of any Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond for the period beginning 15 days prior to the selection by the Bond Registrar of Bonds to be redeemed prior to maturity and ending on the date of mailing of notice of any such redemption.

SECTION 3.4.B. Procedures in Respect of Registration and Transfer of Tax Credit Certificates. At any time, the holder of a Bond may, by written request to the Bond Registrar, direct the Bond Registrar to authenticate and deliver Tax Credit Certificates separated from such Bond and endorse and renumber the Principal Strip of such Bond. Any holder of a Bond after such exchange may elect to transfer all or a portion of the Tax Credits evidenced by the associated Tax Credit Certificates. Tax Credit Certificates may be delivered evidencing ownership of Tax Credits for each Tax Credit Allowance Date for the related Bond in notional amounts equal to Authorized Denominations and aggregating an amount equal to the principal amount of the related Bond.

Upon receipt of a request to strip the Tax Credits, the Bond Registrar will (i) authenticate and deliver to the holder so requesting, Tax Credit Certificates in a notional amount equal to the principal amount of the related Bond, and (ii) contemporaneously with the delivery thereof, the Bond Registrar will (x) evidence the Principal Component by executing the legend, entitled "Principal Strip Legend", that appears on the Bond Registrar's authentication page for such related Bond and (y) assign a new identification number to the Principal Component of such Bond that is distinct from the identification number for the original Bond.

The Tax Credit Certificates will be executed and delivered as fully registered Tax Credit Certificates, in notional amounts corresponding to Authorized Denominations of related Bonds, in an aggregate notional amount equal to the principal amount of the related Bonds. The Tax Credit Certificates so delivered will be dated the date of the related Bonds and will represent an amount of Tax Credits based upon the notional amount and the applicable rate set forth therein.

SECTION 3.5. Authentication of Bonds and Tax Credit Certificates. The Bond Registrar shall evidence the acceptance of its duties as Bond Registrar with respect to the Bonds and Tax Credit Certificates, if any, by executing the authentication certificate appearing on each of the Bonds and Tax Credit Certificates, if any. No Bond or Tax Credit Certificate shall be valid or obligatory for any purpose or entitled to any security or benefit under the Bond Ordinance unless and until a certificate of authentication on such Bond or Tax Credit Certificate substantially in the form appearing on the form of the Bonds or Tax Credit Certificates, as applicable, attached to this Bond Ordinance as Exhibit B shall have been duly executed by the Bond Registrar, and such executed certificate of the Bond Registrar on any such Bond and Tax Credit Certificate, shall be conclusive evidence that such Bond and Tax Credit Certificate has been authenticated and delivered under this Bond Ordinance. The Bond Registrar's certificate of authentication on any Bond and Tax Credit Certificate shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the

same officer sign the certificate of authentication on all of the Bonds and Tax Credit Certificates issued hereunder.

SECTION 3.6. Loss, Theft, Destruction or Mutilation of Bonds and Tax Credit Certificates. On the receipt by the Issuer and the Bond Registrar of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Outstanding Bonds or Tax Credit Certificates, and of indemnity satisfactory to them, and on surrender and cancellation of such Bonds or Tax Credit Certificates, as applicable, if mutilated, the Issuer may execute and the Bond Registrar may authenticate and deliver, on the lapse of such period of time as they may deem advisable, (i) a new Bond or Bonds of like tenor and maturity or (ii), if applicable, a new Tax Credit Certificate or Certificates of like tenor and maturity, bearing the same or different serial number(s), to be issued in lieu of such lost, stolen, destroyed or mutilated Bond(s) or Tax Credit Certificate(s). The Issuer and the Bond Registrar may require the payment of costs for each new Bond or Tax Credit Certificate issued under this Section, and the furnishing of indemnity satisfactory to the Issuer and the Bond Registrar. The Bond Registrar shall incur no liability for anything done by it under this Section in the absence of gross negligence or fault.

SECTION 3.7. Intentionally Omitted.

SECTION 3.8. Extraordinary Mandatory Redemptions.

(a) The Bonds are subject to extraordinary mandatory redemption, in whole or in part, on December 15, 2012, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before December 15, 2014, in Authorized Denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to the unexpended proceeds of the sale of the Bonds held by the Issuer, but only to the extent that the Issuer fails to expend all of the proceeds of the Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately, the portion of the Tax Credit Certificates related to the redeemed Principal Strips will be called for redemption in the same manner as the Bonds pursuant to the foregoing, and the redemption price therefor will be allocated to the Principal Strips and the Tax Credit Certificates in the proportions and values as set forth in Exhibit B.

(b) Upon a Determination of Loss of Qualified Energy Conservation Bond Status, the Bonds are subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole, on the date designated by the Issuer, which date shall be a date on or prior to the May 15 following the next succeeding December 1 after a Determination of Loss of Qualified Energy Conservation Bond Status, at a redemption price equal to (i) the principal amount of the Bonds called for redemption, plus (ii) accrued interest, if applicable, on the principal amount of the Bonds called for redemption (calculated at the interest rate as set forth on the form of the Bonds) from the Payment Date immediately preceding the redemption date, to the date of redemption, plus (iii) the Redemption Premium.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified Energy Conservation Bond Status, the redemption price shall include an additional amount payable to the owners as of the applicable Tax Credit Allowance Dates of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately, the portion of the Tax Credit Certificates related to the redeemed Principal Strips will be called for redemption in the same manner as in Exhibit B.

SECTION 3.9. Notice of Redemption. At least thirty (30) days but not more than sixty (60) days before the redemption date of any Bonds, the Bond Registrar shall cause a notice of redemption to be mailed, by regular United States first class mail, postage prepaid, to all Holders of Bonds, or if separated, Principal Strips and Tax Credit Certificates, to be redeemed in whole or in part at their registered addresses. Failure to mail any notice or any defect therein in respect of any Bond, or if separated, Principal Strips and Tax Credit Certificates, shall not affect the validity of the redemption of any other Bond, or if separated, Principal Strips and Tax Credit Certificates. Such redemption notice shall set forth the details with respect to redemption. Any Holder owning at least \$1,000,000 in principal amount of the Bonds may request that a second copy of the notice of redemption be sent to a second address provided to the Bond Registrar in writing. The notice of redemption shall set forth the complete title of the issue, CUSIP numbers of the Bonds or Principal Strips to be redeemed, date of the issue, serial numbers, interest rate, if applicable, maturity, date fixed for redemption, redemption price to be paid and, if less than all of the Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed, and the place or places of redemption, including the name, address and phone number of a contact person.

A second notice of redemption shall be given within sixty (60) days after the redemption date in the manner required above to the registered owners of redeemed Bonds which have not been presented for payment within thirty (30) days after the redemption date.

Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given on mailing, whether or not the owner of such Bonds receives the notice.

On the giving of notice and the deposit of funds for redemption, interest, if applicable, on the Bonds so called for redemption shall cease to accrue after the date fixed for redemption.

SECTION 3.10. Securities Depository; Ownership of Bonds and Tax Credit Certificates. Except as provided in paragraphs (b) and (c) of this Section 3.10, the Bonds and the Tax Credit Certificates, if any, shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form

by the Securities Depository for the account of the Agent Members thereof. Initially, the Bonds and the Tax Credit Certificates, if any, shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in paragraphs (b) and (c) below of this Section 3.10, the Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Issuer or to a nominee of such successor Securities Depository. As to any Bond and the Tax Credit Certificates, if any, the person in whose name the Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest, if applicable, on any such Bond shall be made only to or on the order of the registered owner thereof or his legal representative. So long as Tax Credit Certificates, if any, are registered in the name of the Securities Depository Nominee, the Bond Registrar will provide notice to the Securities Depository of the expiration of each Tax Credit Certificate, not less than forty-five (45) days prior to the Tax Credit Allowance Date for such Tax Credit Certificate.

(a) Neither the Issuer nor the Bond Registrar shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the Bonds or the Tax Credit Certificates, if any;

(ii) the delivery to any Agent Member, any beneficial owner of the Bonds, or any other person, other than the Securities Depository, of any notice with respect to the Bonds or the Tax Credit Certificates, if any; or

(iii) the payment to any Agent Member, any beneficial owner of the Bonds, or any other person, other than the Securities Depository, of any amount with respect to the principal or premium, if any, or interest, if applicable, on the Bonds.

So long as any Bonds are registered in Book-Entry Form, the Issuer and the Bond Registrar may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation:

- (A) the payment of principal, premium, if any, and interest, if applicable, on the Bonds;
- (B) giving notices of redemption and other matters with respect to the Bonds;
- (C) registering transfers with respect to the Bonds;
- (D) selection of Bonds for redemption; and
- (E) for purposes of obtaining consents under this Bond Ordinance.
- (F) notwithstanding the definition of the term “Bondholder” or “Holder” or “Holder of Bonds” herein, as referencing registered holders of the Bonds, the Bond Registrar shall be entitled to rely on written instructions from a

majority of the beneficial owners of the Bonds with reference to consent, if any, required from Holders pursuant to the terms of this Bond Ordinance.

(b) If at any time the Securities Depository notifies the Issuer that it is unwilling or unable to continue as Securities Depository with respect to the Bonds or Tax Credit Certificates, if any, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor Securities Depository is not appointed by the Issuer within 90 days after the Issuer receives notice or becomes aware of such condition, as the case may be, then this Section 3.10 shall no longer be applicable and the Issuer shall execute and the Bond Registrar shall authenticate and deliver certificates representing the Bonds and the Tax Credit Certificates, if any, to the Bondholders.

(c) Payment of principal, premium, if any, and interest, if applicable, on any Bonds not registered in Book-Entry Form shall be made as provided in Section 3.4 hereof.

ARTICLE 4. SALE AND DELIVERY OF BONDS

SECTION 4.1. Sale of the Bonds. All (but not less than all) of the Bonds, in an aggregate principal amount of not to exceed the amount authorized in Section 2.2 hereof, shall be sold, and awarded (if an agreeable bid or bids is received) to the successful bidder(s) therefor for reoffering to the public, at the purchase price set forth, and on the terms and conditions described in, the Official Bid Form of the successful bidder(s) as accepted by the Revenue Commission and the Issuer in accordance with this Section 4.1, following the offering of the Bonds at public sale on competitive bids as hereinafter provided. All actions of the Revenue Commission, the Issuer, and their respective staffs in the structuring, staffing, planning and preparation of all documentation for the issuance of the Bonds are hereby authorized and ratified.

(a) The Revenue Commission together with the OMB Director of the Issuer are hereby authorized and directed to cause an appropriate form or forms of a Notice of Bond Sale to be published in The Courier-Journal, Louisville, Kentucky, which will afford local and state-wide notice of the sale, and in The Bond Buyer, New York, New York, if applicable, which is a publication having general circulation among bond buyers, and such publications are hereby declared to be qualified to publish such notices for the Issuer within the meaning and provisions of KRS Chapter 424. The Notice of Bond Sale shall be in substantially the form set forth in Exhibit D to this Bond Ordinance. On the recommendation of the Co-Financial Advisors to the Issuer, the Mayor or the OMB Director is authorized to employ one or more electronic bidding services.

(b) The Bonds shall be offered only as a whole. Only bids submitted on an Official Bid Form shall be given favorable consideration. The Official Bid Form for the Bonds shall be in substantially the form set forth in Exhibit E to this Bond Ordinance. Notwithstanding the foregoing, on the recommendation of the Co-Financial Advisors to the Issuer bids may be taken or required to be submitted electronically (provided all electronic proposals shall be deemed to incorporate all material provisions of the Official Bid Form). The Mayor or OMB

Director of the Issuer is also hereby authorized and directed, on the recommendation of the Co-Financial Advisors to the Issuer, to cause the Official Bid Form to be posted on the Internet and through PARITY[®] or one or more other nationally recognized municipal market information or electronic bidding service providers; provided that it is understood and acknowledged that the Issuer shall use any such approved provider's service solely as a communication mechanism, and not as the Issuer's agent, to facilitate the conducting of electronic bidding for the Bonds. If any provision in the Official Notice of Sale (hereinafter approved) conflicts with information provided by an electronic bidding service provider, the Official Notice of Sale shall control. Any bid transmitted electronically shall be submitted through PARITY[®] or another provider approved by the Mayor or OMB Director of the Issuer on the recommendation of the Co-Financial Advisors. In addition, bidders submitting an electronic proposal must fulfill any requirements of the bidding service provider, if any, over and above the requirements of the Issuer set forth in the Official Notice of Sale. Electronic bidding for the Bonds shall be made available to bidders solely as a courtesy by the Issuer. The Issuer shall assume no responsibility or liability for bids submitted through such electronic bidding service providers. Without limiting the generality of the foregoing disclaimers, the Issuer does not assume responsibility for any communications or negotiations between bidders and electronic bidding service providers, or for any failure of such a provider to accurately or timely submit any electronic proposal. Any electronic proposals shall be deemed to incorporate all of the provisions of the Official Bid Form and the Official Notice of Sale. Each bidder shall be solely responsible for making necessary arrangements to access an approved electronic bidding service provider for purposes of submitting such bidder's bid in a timely manner and in compliance with the requirements of the Issuer. The Issuer shall have no duty or obligation to provide or assure such access to any bidder. The Issuer shall not be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, any approved provider's service.

(c) The right to reject any or all bids shall be expressly reserved in the Issuer. On the occasion set forth in the Notice of Bond Sale, the Revenue Commission together with the OMB Director of the Issuer shall consider all proposals made pursuant to such notice, and if an acceptable bid is received, the Revenue Commission is hereby authorized and directed to award the Bonds in the manner and for the purposes herein provided, to establish the interest rate or rates, if applicable, maturities and redemption features which the Bonds shall bear, and to take all other necessary and proper steps in the sale and issuance of the Bonds; subject to the following parameters:

(i) on the recommendation of the Co-Financial Advisors to the Issuer, the Mayor or OMB Director of the Issuer is authorized to approve the sale of an aggregate principal amount of Bonds less than that authorized herein and to make adjustments to the maturity schedule utilized in the Preliminary Official Statement; provided, however, that the Bonds shall mature on a final maturity date of not later than twenty (20) years from the date of issuance of such Bonds, and shall be subject to mandatory redemption as shall be determined by the Mayor or OMB Director of the Issuer contemporaneously with the acceptance of the successful bid, if any, for the purchase thereof;

(ii) with respect to the interest, if applicable, payable on the Bonds, the annual interest rate for the Bonds shall not exceed fifteen percent (15%);

(iii) the good faith deposit required of the Underwriters shall not be less than One Percent (1.0%) of the aggregate principal amount of Bonds being purchased; and

(iv) the officer or officers of the Issuer countersigning the acceptance of the Official Bid Form shall have determined that the bid of the successful bidder otherwise appears to be in acceptable and lawful form.

(d) The OMB Director of the Issuer may cause to be prepared multiple copies of one or more Official Notices of Sale giving more complete and particular descriptions of the Bonds, provisions relating to the security and payment thereof, disposition of Bond proceeds and other information that it is not feasible to give within the limits of the published Notice of Bond Sale, and may furnish copies of such Official Notice of Sale to all interested bidders on request in substantially the form set forth in Exhibit F to this Bond Ordinance. The Mayor or OMB Director of the Issuer is also hereby authorized and directed, on the recommendation of the Co-Financial Advisors to the Issuer, to cause the Official Notice of Sale to be posted on the Internet and through one or more nationally recognized municipal market information or electronic bidding service providers.

(e) Prior to the public sale of the Bonds, the Issuer, assisted by the Co-Financial Advisors, shall complete the form of Preliminary Official Statement a draft of which has heretofore been made available for inspection, in order to [i] provide further information to prospective bidders and [ii] set forth the terms and provisions of the Bonds as well as information pertaining to the Issuer, and the same shall be examined and approved for use on behalf of the Issuer by the Mayor or OMB Director of the Issuer, and the distribution thereof is hereby ratified, confirmed, authorized and approved. The Issuer hereby deems the draft Preliminary Official Statement relating to the Bonds to be, and the Mayor or OMB Director of the Issuer shall be and hereby are authorized to deem a completed Preliminary Official Statement relating to the Bonds to be, in each case an official statement that is final as of its date, except for the omission of no more than the following information relating to the Bonds: the offering prices, interest rates, if applicable, selling compensation, principal amount per maturity, delivery date, any other terms or provisions to be determined by competitive bidding, ratings, other terms depending on such matters, and the identity of the underwriters. The Preliminary Official Statement shall be subject to revision and completion in a final Official Statement. The Mayor or OMB Director of the Issuer is also hereby authorized and directed, on the recommendation of the Co-Financial Advisors to the Issuer to cause the Preliminary Official Statement to be posted on the Internet and through one or more nationally recognized municipal market information or electronic bidding service providers. The electronic or physical distribution of the Preliminary Official Statement as herein provided is hereby ratified, confirmed, authorized and approved.

(f) The final Official Statement shall be approved by the Mayor or OMB Director of the Issuer on an award by the Revenue Commission of the Bonds to an acceptable bidder, prior to the use thereof in connection with the issuance and delivery of the Bonds, and shall be executed on behalf of the Issuer by the Mayor or OMB Director as conclusive evidence of the approval thereof, and the same is hereby authorized, ratified, confirmed and approved. The Mayor or OMB Director of the Issuer is also hereby authorized and directed, on the recommendation of the Co-Financial Advisors to the Issuer to cause the Official Statement to be

posted on the Internet and through one or more nationally recognized municipal market information or electronic bidding service providers.

(g) If and to the extent purchased by the successful bidder for the Bonds in accordance with the Official Notice of Sale, the use of a municipal bond insurance policy to be issued by the bond insurer identified by the successful bidder is hereby approved.

SECTION 4.2. Provisions Relating to Issuance and Delivery of the Bonds. After execution on behalf of the Issuer and authentication by the Bond Registrar as prescribed in this Bond Ordinance, the Bond Registrar shall deliver the Bonds to the Underwriters or the purchasers thereof as applicable, on receipt by the Bond Registrar of:

- (a) a certified copy of the Bond Ordinance;
- (b) the written order to the Bond Registrar by the Issuer, acting through its Mayor or OMB Director, to make delivery of the executed and authenticated Bonds on receipt by the Bond Registrar of a specified amount, which shall be in immediately available funds;
- (c) an executed counterpart of the Disclosure Certificate;
- (d) an executed opinion of Bond Counsel respecting the qualification of the Bonds as QECBs and the right of U.S. taxpayers who hold Tax Credit Certificates to federal income tax credits pursuant to Sections 54D and 54A of the Code; and as same relates to federal income taxes and Kentucky income taxes, and respecting the exemption of the Bonds from ad valorem taxation in the Commonwealth; and
- (e) such other closing documents, showings and opinions of counsel as the Bond Registrar, Bond Counsel and the Issuer may reasonably specify.

ARTICLE 5.
APPLICATION OF BOND PROCEEDS; PLEDGE OF PROCEEDS
AND PLEDGED RECEIPTS; CREATION OF FUNDS;
USES OF PROCEEDS; AND PAYMENTS

SECTION 5.1. Deposit and Application of Bond Proceeds. The proceeds received by the Issuer from the sale of the Bonds from the date thereof to the date of delivery to the purchasers) shall be applied as follows:

- (a) deposit to the credit of the Cost of Issuance Account in the Project Fund, for payment of costs of, or incident to, issuance of the Bonds an amount sufficient to pay the costs incurred in connection with the issuance of the Bonds; and
- (b) deposit to the credit of the Project Fund, together with the earnings on the investments as may be permitted, available project proceeds to pay the costs associated with the Project.

SECTION 5.2. Pledge of Proceeds of Bonds on Deposit in Project Fund. There is hereby pledged to the payment of the principal of, interest, if applicable, on, and any premium on

the redemption of, the Bonds, the proceeds of the sale of the Bonds on deposit in the Project Fund, until expended for the herein authorized purposes, and any income from the investment thereof.

SECTION 5.3. Pledge of Pledged Receipts. There is hereby pledged to the payment of the principal of, interest, if applicable, on, and any premium for the redemption of, the Bonds, the Pledged Receipts received by the Issuer and all Funds and Accounts established by and in accordance with the provisions of this Bond Ordinance, including the investment income, if any, of Funds and Accounts established by this Bond Ordinance, all in accordance with the terms and provisions of the Bonds and this Bond Ordinance, and there is hereby created in favor of the Bonds, a lien, pledge and charge on all of the Pledged Receipts over and ahead of all other bonds not contemplated by this Bond Ordinance payable from the Pledged Receipts which may be hereafter issued, and over and ahead of all other claims or obligations of any nature against the Pledged Receipts hereafter arising or hereafter incurred. The Issuer covenants and agrees that the pledge under this Section 5.3 shall be valid and binding from and after the date of the issuance, sale and delivery of the Bonds issued pursuant to this Bond Ordinance, and all such money and securities so pledged shall be subject to the lien of this pledge without any physical delivery thereof, or any further action by the Issuer.

SECTION 5.4. Cost of Issuance Account. There is hereby created the Cost of Issuance Account, to be held and maintained by the OMB Director as a separate account within the Project Fund under this Bond Ordinance. The Issuer will, at the delivery of the Bonds, cause to be deposited with the OMB Director into the Cost of Issuance Account from Bond proceeds, as applicable, a sum sufficient to pay any and all duly authorized expenses of the issuance of the Bonds, including legal and accounting fees and expenses, Co-Financial Advisors' fees and expenses, printing costs, fees of bond rating agencies, and initial fees and expenses of the Bond Registrar in connection with the issuance of the Bonds. On the payment or reimbursement of all costs of issuance of the Bonds any proceeds of such Bonds or any investment earnings thereof remaining in the Cost of Issuance Account shall be transferred by the OMB Director to the Bond Fund.

SECTION 5.5. Bond Fund. There is hereby recognized and there shall be maintained, with the Revenue Commission, at any time while the Bonds are outstanding, a "Bond Fund," which shall constitute a "sinking fund" within the meaning of KRS 66.081(1) which is pledged for the retirement of the General Obligation Debt. The Issuer covenants and agrees that it shall set aside as received and pay into the Bond Fund, all or such portion of the Pledged Receipts as will be sufficient to pay when due, in immediately available funds, the principal of, interest, if applicable, and premium, if any, on all Bonds Outstanding hereunder and principal of, premium, if any, and interest on all other General Obligation Debt (if any), in each of the foregoing cases at or before their maturity or earlier proceedings for redemption. No further payment need be made to the Bond Fund when, and so long as, the aggregate amount therein is sufficient to retire all of the Bonds then Outstanding, plus the amount of interest, if applicable, due and thereafter to become due on such Bonds on and prior to such retirement, together with redemption premium, if any.

The Bond Fund shall be maintained for and on behalf of the Issuer by the Revenue Commission, or shall from time to time be maintained in such other manner by or on

behalf of the Issuer as shall be provided for in the proceedings of the Issuer, as a separate and special fund, apart and distinct from all other funds of the Issuer or the Revenue Commission. Separate account statements with respect thereto shall at all times be kept and maintained. On each Payment Date, there is hereby authorized and directed to be withdrawn and made available out of the applicable account of the Bond Fund a sufficient amount to pay the principal of, and premium, if any, on the Bonds, and the principal of, interest, if applicable, and premium, if any, and interest on any other General Obligation Debt, if any, becoming due on such Payment Date, including Bonds redeemed pursuant to the mandatory redemption provisions of this Bond Ordinance, if any.

SECTION 5.6. Project Fund. There is hereby created and established a “Project Fund” which shall be held and maintained for and on behalf of the Issuer by the Revenue Commission, or shall from time to time be maintained in such other manner by or on behalf of the Issuer as shall be provided for in the proceedings of the Issuer, as a separate and special fund, apart and distinct from all other funds of the Issuer or the Revenue Commission. Separate account statements with respect thereto shall at all times be kept and maintained for the Bonds. The Project Fund shall be used solely for payment of costs of issuance of the Bonds and for payment of the costs associated with the Project except as hereinbelow provided. As provided in Section 5.4 above, on the payment or reimbursement of all costs of issuance of the Bonds, as certified by the Issuer, any proceeds of such Bonds or any investment earnings thereof remaining in the Cost of Issuance Account shall be transferred by the Revenue Commission to the applicable account of the Bond Fund.

SECTION 5.7. Investment of Funds. Moneys from time to time in any Fund or Account, pending disbursement for the purposes of each Fund and Account, shall be invested or reinvested from time to time on order of the Issuer in Investment Obligations. Investments of moneys held in the Project Fund shall be made in such manner (i.e., maturing or subject to earlier redemption or retirement at the option of the holder thereof) as to make cash available in the Project Fund for disbursement as and when required to pay acquisition, construction, installation, equipping and related costs. Investments of moneys held in the Bond Fund shall be made in such manner (i.e., maturing or subject to earlier redemption or retirement at the option of the holder thereof) as to make cash available in the Bond Fund for disbursement as and when required to pay interest, if applicable, on and principal (and premium, if any) of the Bonds as and when the same become due.

ARTICLE 6. SPECIAL COVENANTS

SECTION 6.1. Use of Bond Proceeds. Anything in this Bond Ordinance to the contrary notwithstanding, the Issuer, through the Mayor, the OMB Director or the Mayor’s designee, may, change, substitute or otherwise modify the use of the proceeds of any Bonds or Notes issued hereunder to the extent permitted by the Act.

SECTION 6.2. Maximum Percentages of Net Indebtedness. The Issuer covenants not to incur “net indebtedness” (within the meaning of the Act) to an amount exceeding any applicable limitation based on the value of taxable property within the Issuer’s corporate limits

and jurisdiction, as estimated by the last certified assessment previous to the incurring of the indebtedness.

ARTICLE 7. TAX COVENANTS

Interest on the Bonds is not excludible from gross income for federal income tax purposes pursuant to the Code.

The Issuer covenants that it shall at all times do and perform all acts and things permitted or required by law and necessary or desirable in order to assure that the Bonds shall at all times constitute qualified energy conservation bonds within the meaning of Section 54D of the Code.

The Issuer covenants that prior to the issuance of the Bonds, and as a condition precedent to such issuance, that it shall certify by issuance of a tax compliance certificate signed by the OMB Director that on the basis of the facts, estimates and circumstances in existence on the date of issuance of the Bonds, the proceeds of the Bonds will be used in a manner to satisfy the requirements of Sections 54A and 54D of the Code and any federal regulations applicable to the Bonds, including the applicable provisions of Section 148 of the Code.

Notwithstanding any provision of this Section, if the Issuer shall receive an opinion of nationally recognized bond counsel to the effect that any action required under this Section is no longer required, or to the effect that some other action is required, to maintain the qualification of the Bonds as QECBs the Issuer may rely conclusively on such opinion in complying with the provisions hereof.

ARTICLE 8. DEFAULT AND REMEDIES

SECTION 8.1. Events of Default. Each of the following events is hereby defined as and shall constitute an “Event of Default”:

(a) Failure to pay any installment of interest, if applicable, on the Bonds, as applicable, when the same shall become due and payable or within thirty (30) days thereafter (or within such period, shorter than thirty (30) days, if any, as may be permitted in the Bonds);

(b) Failure to pay the principal of, or premium, if any, on any when due and payable, at maturity or on redemption; and

(c) Default by the Issuer in the due or punctual performance or observance of any other covenants, pledges, conditions, provisions or agreements of the Issuer contained in the Bond Ordinance, or in the Bonds, and the continuance thereof for a period of thirty (30) days; provided that if such default can be corrected but not within such thirty-day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer within such period and diligently pursued until the default no longer exists.

SECTION 8.2. Enforcement of Remedies; Any Bondholder May Enforce and Compel Performance. On the happening and continuance of any Event of Default, then and in every case any Bondholder, either at law or in equity, by suit, action, mandamus or other proceedings, may enforce and compel performance by the Issuer and its officers and agents of all duties imposed under the Act, under other applicable law, if any, under the Bonds and under this Bond Ordinance, including the levying and collection of sufficient taxes and the application thereof to the payment of principal of and interest, if applicable, and premium, if any, on the Bonds in accordance with the provisions of this Bond Ordinance and the Bonds.

SECTION 8.3. Notice of Default. The Bond Registrar shall as promptly as practicable mail, to the Issuer and the Holders of Bonds written notice of the occurrence of any Event of Default known to the Bond Registrar. The Bond Registrar shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any notice required by this Section.

SECTION 8.4. Delay or Omission. No delay or omission of any holder of the Bonds to exercise any right or power arising on any default shall impair any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy afforded by this Article 8 and every additional power and remedy, if any, afforded by the terms of the Bonds to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient by the Bondholders.

SECTION 8.5. Waivers of Events of Default. Any Bondholder, may on behalf of such Holder waive any past default under this Bond Ordinance or under the Bonds and the consequences thereof; and in case of any such waiver, the Issuer, the Bond Registrar and such Bondholder shall be restored to their former positions and rights hereunder and under the Bonds, but no such waiver shall extend to any subsequent or other default, or impair any right consequent thereon.

SECTION 8.6. Termination of Proceedings. If any Bondholder shall have proceeded to enforce any right due to any Event of Default and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bondholder, then and in every case the Issuer, the Bond Registrar and the Bondholder shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and all rights of such Bondholder shall continue as if no such proceedings had been taken.

SECTION 8.7. Remedies Not Exclusive. No remedy by the terms of this Bond Ordinance or the Bonds conferred on or reserved to the Holders of the Bonds is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given under this Bond Ordinance as now or hereafter existing at law or in equity or by statute.

ARTICLE 9. THE BOND REGISTRAR

SECTION 9.1. Appointment and Acceptance of Duties of Bond Registrar. The Bond Registrar, as defined in Article 1 hereof, is appointed in Section 3.3 hereof as the Bond Registrar; and it shall signify its acceptance of the duties and obligations imposed on it by this Bond Ordinance by executing the certificate of authentication on the Bonds or the Tax Credit Certificates, if any.

SECTION 9.2. Responsibilities of the Bond Registrar. The Bond Registrar shall have no responsibility with respect to the validity of the Bonds or the Tax Credit Certificates, as applicable, hereby authorized or the legal sufficiency of the proceedings for the issuance of the Bonds. The Bond Registrar shall not have any obligation, except as otherwise herein provided, to assure that any duties herein imposed on the Issuer or covenants or agreements herein contained on behalf of said Issuer are performed. All compensation to the Bond Registrar for services leading up to and including authentication of the Bonds may be paid from the proceeds of the Bonds. Compensation for any service, cost or expense, including fees of its counsel, thereafter rendered or incurred by the Bond Registrar, in its capacity as Bond Registrar, shall be billed to and paid by the Issuer from time to time.

No implied covenants shall be read in this Bond Ordinance against the Bond Registrar. The Bond Registrar may in good faith buy, sell, own, hold and deal in any of the Bonds and Notes, with like effect as if it were not the Bond Registrar. The Bond Registrar may act as depository for, or permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Bond Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds outstanding.

The Bond Registrar shall be protected and shall incur no liability in acting in good faith on any ordinance, order, resolution, notice, telegram, request, consent, certificate, affidavit, voucher, bond or other paper or document which it shall believe to be genuine and to have been passed or signed by the proper board or persons. The Bond Registrar shall not be bound to recognize any person as a holder of any Bond or to take any action at such person's request unless such Bond shall be submitted to the Bond Registrar for inspection, if required, and title thereto established to the satisfaction of the Bond Registrar, if disputed.

The Bond Registrar may in relation to this Bond Ordinance act on the opinion or advice of any attorney, accountant or other expert, whether retained by the Issuer or by the Bond Registrar, and shall not be responsible for anything suffered or done by it in good faith in accordance with any such opinion or advice. On written request of the Issuer, the Bond Registrar, not less than annually, shall make a written report to the Issuer, which report shall list the then Outstanding Bonds and Tax Credit Certificates, if any, and shall report in detail as to any redemptions in respect of the Bonds. If requested, said written reports shall be furnished not less than thirty (30) days prior to each July 1 so long as any Bonds remain outstanding. The Issuer in its discretion may request the Bond Registrar to furnish other reports.

The Bond Registrar shall be under no obligation to institute any suit, or to take any remedial proceeding under this Bond Ordinance, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Bond Registrar may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as Bond Registrar without indemnity, and in such case the Issuer shall reimburse the Bond Registrar from the Pledged Receipts for all costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements properly incurred in connection therewith, as provided in Section 9.4 hereof.

SECTION 9.3. No Obligation to Insure. The Bond Registrar shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Issuer, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, if any, or to require any such payment to be made. The Bond Registrar shall have no responsibility in respect of the validity or sufficiency of this Bond Ordinance or the due execution or acknowledgement thereof, or in respect of the validity of the Bonds or the due execution or issuance thereof. The Bond Registrar shall be under no obligation to see that any duties herein imposed on the Issuer or any party other than itself, or any covenants herein or therein contained on the part of any party other than itself be done or performed, and the Bond Registrar shall be under no obligation for failure to see that any such duties or covenants are done or performed.

The Bond Registrar shall not be liable or responsible because of the failure of the Issuer or any of the employees or agents thereof to make any collections or deposits or to perform any act herein required of the Issuer or because of the loss of any moneys arising through the insolvency or the act, default or omission of any other depository in which such moneys shall have been deposited under the provisions of this Bond Ordinance. The Bond Registrar shall not be responsible for the application of any of the proceeds of the Bonds or the Notes, as applicable, or any other moneys deposited with it and paid out, withdrawn or transferred hereunder, if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Bond Ordinance. The immunities and exemptions from liability of the Bond Registrar hereunder shall extend to its directors, officers, employees and agents.

SECTION 9.4. Compensation of Bond Registrar. Subject to the provisions of any contract between the Issuer and the Bond Registrar relating to the compensation of the Bond Registrar, the Issuer shall, from the Pledged Receipts, pay to the Bond Registrar reasonable compensation for all services performed by it hereunder and also all of its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the performance of its powers and duties hereunder, and, from the Pledged Receipts only, shall indemnify and save the Bond Registrar harmless against any claim, cost or liability which it may incur in the exercise and performance of its powers and duties hereunder.

SECTION 9.5. Resignation or Discharge of Bond Registrar; Successor Bond Registrars. The Bond Registrar may resign and thereby become discharged from the duties

hereby created by notice in writing given to the Issuer and to all Holders of Bonds and Tax Credit Certificates, if any, by first class mail at least thirty (30) days prior to the effective date of such resignation, provided that such resignation shall take effect only on the appointment of a successor Bond Registrar, and, provided further, such resignation shall take effect immediately on the appointment of a new Bond Registrar if such new Bond Registrar be appointed and qualified before the time limit established by such notice. The Bond Registrar may be removed at any time at the written request of the Issuer or by an instrument in writing signed by the Holders of not less than a majority of the principal amount of the Bonds then outstanding.

If at any time the Bond Registrar shall resign, be removed, be dissolved or otherwise become incapable of acting or the offices of the Bond Registrar shall be taken over by any governmental official or board, or if the position of Bond Registrar shall become vacant for any reason, a successor shall be appointed by the Issuer; and unless such appointment be made within thirty (30) days after the vacancy shall have occurred, the Holders of a majority in principal amount of the Bonds then outstanding may make such appointment by an instrument in writing signed by any such Bondholders and filed with the Issuer, or the Bond Registrar may petition a court of competent jurisdiction for the appointment of a successor. Any Bond Registrar hereafter appointed shall [i] be a trust company or bank in good standing having trust powers and subject to examination by a federal or state authority and [ii] have a reported combined surplus and capital aggregating at least \$75,000,000. The Issuer shall provide notice as soon as practicable of any change in the Bond Registrar to all Holders of Bonds in the same manner as required in the first paragraph of this Section and Bonds re-registered or re-issued thereafter shall be altered or shall contain a legend identifying such successor Bond Registrar.

Every successor Bond Registrar appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereon such successor Bond Registrar, without any further act shall become fully vested with all the rights, immunities, powers, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver any instrument transferring to such successor Bond Registrar all the rights, powers and duties of such predecessor hereunder, and every predecessor Bond Registrar shall deliver all securities, moneys, documents and records held by it to its successor; provided, however, that before any such delivery is required or made, all fees and expenses of such predecessor shall be paid in full. Should any instrument in writing from the Issuer be required by any successor Bond Registrar for more fully and certainly vesting in such Bond Registrar the rights, powers and duties hereby vested or intended to be vested in the predecessor Bond Registrar, any such instrument in writing shall and will on request be executed, acknowledged and delivered by the Issuer.

ARTICLE 10. MISCELLANEOUS

SECTION 10.1. Provisions of the Bond Ordinance are Severable. If any one or more of the provisions of this Bond Ordinance or of the Bonds or Tax Credit Certificates, if any, shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Bond Ordinance or of the Bonds or Tax Credit Certificates, if any, but this Bond Ordinance and the Bonds or Tax Credit Certificates, if any, shall be construed and

enforced as if such illegal or invalid provisions had not been contained therein. If any court of competent jurisdiction adjudicates that any representation, covenant or undertaking of the Issuer, as set forth in the Bonds or Tax Credit Certificates, if any, or in this Bond Ordinance, would cause the Bonds or the Tax Credit Certificates, if any, to be invalid or constitute an unlawful general indebtedness of the Issuer, then such representation, covenant or undertaking shall be thereby stricken, omitted and eliminated without thereby otherwise affecting the validity or enforceability of the Bonds or the Tax Credit Certificates, if any.

SECTION 10.2. Bond Ordinance is a Contract; Procedure for Amending. In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time after the sale thereof, the provisions of this Bond Ordinance shall constitute a contract between the Issuer and the Holders from time to time of the Bonds and the Tax Credit Certificates, if any, and such provisions are covenants and agreements with such Holders which the Issuer hereby determines to be necessary and desirable for the security and payment thereof. After the issuance of the Bonds no change, variation or alteration of any kind in the provisions of this Bond Ordinance shall be made in any manner except as provided in this Section until such time as all of the Bonds, and the interest, if applicable, have been paid in full. The provisions, covenants and agreements herein set forth to be performed on behalf of the Issuer shall be for the equal and ratable benefit, protection and security of the Holders of any and all of the Bonds all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof. No Bonds may be issued under the provisions of this Bond Ordinance except in accordance with Article 2 and Article 3.

If it shall appear desirable and to the advantage of both the Issuer and the Holders of the Bonds the Issuer shall adopt an ordinance (a "Supplemental Ordinance") altering or amending this Bond Ordinance, but providing therein that the Supplemental Ordinance shall not become effective unless and until it has received the approval of the Holders of the Bonds as hereinafter set out. Immediately on adoption of a Supplemental Ordinance a copy of the Supplemental Ordinance (or brief summary thereof or reference thereto in form approved by the Issuer) together with a request to Bondholders for their consent thereto in form satisfactory to the Issuer, shall be mailed by the Bond Registrar to Bondholders promptly after adoption. A Supplemental Ordinance shall not be effective unless and until there shall have been filed with the Bond Registrar the written consents of the Holders of sixty-six and two-thirds percent (66-2/3%) of the principal amount of the Bonds then Outstanding. Any such consent shall be binding on the Holder of the Bonds after giving such consent and on any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof and of any Holder of any Tax Credit Certificate related to such Bond), unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Bond Registrar, prior to the time when the written statement of the Bond Registrar to the Issuer provided in this Section is filed, such revocation. At any time after the Holders of the required percentages of Bonds shall have filed their consent to a Supplemental Ordinance, the Bond Registrar shall make and file with the Issuer a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Ordinance (which may be referred to as a Supplemental Ordinance adopted by the Issuer on a stated date, a copy of which

is on file with the Bond Registrar) has been consented to by the Holders of the required percentages of the principal amount of the Outstanding Bonds and will be effective as provided in this Section, shall be given to Bondholders by the Issuer by mailing such notice, not more than ninety (90) days after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Ordinance and the written statement of the Bond Registrar hereinabove provided for is filed. The Issuer shall file with the Bond Registrar proof of the mailing of such notice. A transcript, consisting of the papers required or permitted by this Section to be filed with the Bond Registrar, shall be proof of the matters therein stated.

Notwithstanding the foregoing, no such modifications, alterations or amendments shall be made which will (a) permit an extension of the time of payment at maturity of the principal of or payment of the interest, if applicable, or premium on any Bond or a reduction in the amount of principal or the rate of interest, if applicable, thereon without the written consent of the Holder thereof or (b) reduce the percentage of Holders of Bonds required by the provisions of this Section for the taking of any action under this Section.

In addition to the foregoing, the Issuer may, without regard to the provisions hereinabove set forth in this Section, make any amendment or change herein (i) to evidence the succession of an institution as Bond Registrar or paying agent, (ii) to cure any ambiguity or to cure, correct or supplement any defective or inconsistent proceedings contained herein or in any ordinance or other proceedings pertaining hereto, (iii) to grant to or confer on the Bond Registrar for the benefit of the Holders of the Bonds any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Bond Ordinance as theretofore in effect, (iv) to permit the Bond Registrar to comply with any obligations imposed on it by law, (v) to achieve compliance of this Bond Ordinance with any federal tax law, including any guidance or regulations of the Internal Revenue Service or the Treasury Department regarding QECBs (which authority is provided to the OMB Director to cause any such changes as may be necessary to satisfy such guidance or regulations), (vi) to maintain or improve any rating on the Bonds, or (vii) for any other purpose not inconsistent with the terms of this Bond Ordinance which shall not impair the security of the Bondholders or otherwise materially adversely affect the rights of the Bondholders. The Issuer may adopt Supplemental Ordinances to accomplish the foregoing.

SECTION 10.3. Discharge of Bond Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the total principal and interest, if applicable, due or to become due thereon, including premium, if applicable, at the times and in the manner stipulated therein and in this Bond Ordinance, then the pledge of this Bond Ordinance, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereon cease, terminate and become void and be discharged and satisfied.

Whenever there shall be held in the Bond Fund or an escrow fund established for such purpose, either (a) moneys in an amount which shall be sufficient or (b) Defeasance Obligations (as defined below) the principal of and interest on which when due (without consideration of reinvestment income) will provide moneys which, together with other moneys, if any, then on deposit in the Bond Fund or such escrow fund, shall be sufficient to pay when due the principal of, interest, if applicable, and redemption premium, if applicable, on the Bonds or any part thereof to and including the date on which the Bonds or any of them will be redeemed in

accordance with this Bond Ordinance, or the maturity date or dates thereof, as the case may be, then and in any of said events all such Bonds shall be deemed to have been paid within the meaning and with the effect expressed above in this Section 10.3, and the Bond Registrar shall and is hereby irrevocably instructed to publish notice thereof, such notice to contain a statement that the cash and obligations as provided above are held in the Bond Fund or such escrow fund, that such Bonds are deemed to have been paid in accordance with this Section, and a statement of the maturities or redemption date or dates on which the moneys are or will become available for the payment of the amounts due. Thereafter the Bondholders shall be entitled only to payment out of the cash and obligations deposited as aforesaid.

Neither such obligations or the moneys held in the Bond Fund pursuant to this Section, nor principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, interest, if applicable, and redemption premium, if applicable, on the Bonds; provided that any cash received from such principal or interest payment on such investments if not then needed for such purpose, shall, to the extent practicable, be reinvested in the same manner, in investments maturing at times and in amounts sufficient to pay when due the principal, interest, if applicable, and redemption premium, if applicable, on the Bonds to and including such redemption date or maturity date thereof, as the case may be.

For purposes of this Section, “Defeasance Obligations” means the following:

- (a) direct obligations of (including obligations issued or held in book entry form) the United States of America; and
- (b) pre-funded municipal obligations defined as follows:

Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (1) which are rated, based on the escrow, in the highest rating category of Standard and Poor’s Ratings Service and Moody’s Investors Service or any successors thereto; or (2) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (a) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate.

SECTION 10.4. Execution of Bond Ordinance. This Bond Ordinance has been executed for and on behalf of the Issuer in order to evidence approval by the Issuer of the provisions hereof and the obligations of the Issuer hereunder.

SECTION 10.5. Repeal of Conflicting Actions. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Bond Ordinance, if any, are to the extent of such conflict hereby repealed.

SECTION 10.6. Bond Ordinance Effective Immediately. This Bond Ordinance shall be effective immediately following its adoption.

SECTION 10.7. Parties Interested Herein. Nothing in this Bond Ordinance, expressed or implied, is intended nor shall be construed to confer on, or to give to any person or entity, other than the Issuer, the Bond Registrar, the paying agent, if any, and the Holders of the Bonds any right, remedy or claim under or by reason of this Bond Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Bond Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Bond Registrar, the paying agent, if any, and the Holders of the Bonds.

ARTICLE 11.

SPECIAL PROVISIONS APPLICABLE TO ISSUER

SECTION 11.1. Compliance with Metro Government Codified Ordinances. Subsection (B) of Section 32.450 of the Louisville/Jefferson County Metro Government Codified Ordinances provides that the Revenue Commission's obligation to pay the general obligation bonded debt of the Issuer is continued as established by law. This Section 11.1 documents that this Bond Ordinance is enacted in strict compliance with the provisions of the Louisville/Jefferson County Metro Government Codified Ordinances.

SECTION 11.2. Compliance with Laws. The Issuer hereby approves the issuance of the Bonds for all purposes of the Kentucky Revised Statutes, including, but not limited to, the Act. The Issuer further acknowledges that all consents or approvals required to be given by the Issuer under the provisions of the Kentucky Revised Statutes prior to the undertaking of any act including, but limited to, the Act, were duly and timely given prior thereto, as and to the extent required by law. Without limiting the generality of the foregoing, it is hereby found and determined that: [i] the Bonds are issued or entered into for a public purpose, as stated in this Bond Ordinance, and within any limitations prescribed by law and [ii] all the proceedings incident to issuance of the Bonds were held in compliance with law.

[SIGNATURE PAGE TO FOLLOW]

INTRODUCED, SECONDED AND GIVEN FIRST READING at a duly convened meeting of the Metro Council of the Louisville/Jefferson County Metro Government, held on _____, 2009.

GIVEN SECOND READING AND ENACTED at a duly convened meeting of the Metro Council of the Louisville/Jefferson County Metro Government, held on _____, 2009, signed by the President and the Clerk of the Metro Council and approved by the Mayor of the Issuer, and ordered to be published in summary form, filed and indexed as provided by law.

Kathleen J. Herron, Metro Council Clerk

David W. Tandy, President of the Council

Jerry E. Abramson, Mayor

Approved: _____
Date

APPROVED AS TO FORM AND LEGALITY:

Mike O'Connell
Jefferson County Attorney

By: _____

Title: _____

CERTIFICATION

The undersigned hereby certifies that she is the duly qualified and acting Clerk of the Metro Council of the Louisville/Jefferson County Metro Government, Kentucky and that the foregoing is a true, correct and complete copy of an ordinance duly adopted by the Metro Council of said Metro Government as a duly convened meeting held on the _____ day of _____, 2009, on the same occasion signed by the Mayor as evidence of his approval, and now in full force and effect, all as appears from the official records of said Metro Government in my possession and under my control.

WITNESSETH my hand and the seal of said Metro Government as of the _____ day of _____, 2009.

Clerk of the Metro Council

[SEAL]

EXHIBIT A

DESCRIPTION OF PROJECTS TO BE FINANCED

The costs associated with the construction, installation and improvements constituting energy conservation projects, including boiler system improvements, lighting replacement, pipe insulation and temperature controls, in Metro Hall, Metro Hall Annex, Fiscal Court and LMPD Headquarters, in an approximate amount of \$3,140,000.

EXHIBIT B-1

[FORM OF BOND AND TAX CREDIT CERTIFICATE]

Number

R-__

Maturity Value

\$4,000,000

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
QUALIFIED ENERGY CONSERVATION BOND, SERIES 2009

**THE LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT HAS DESIGNATED THIS BOND AS A
QUALIFIED ENERGY CONSERVATION BOND WITHIN
THE MEANING OF SECTION 54D OF THE
INTERNAL REVENUE CODE OF 1986, AS AMENDED.**

<u>Maturity Date</u>	<u>Tax Credit Rate</u>	<u>Dated as of</u>	<u>CUSIP NO.</u>
____ 15, 20__	_____%	_____, 2009	

Registered Owner:

Principal Sum: DOLLARS

The Louisville/Jefferson County Metro Government (the “Issuer”), a municipal corporation and political subdivision of the Commonwealth of Kentucky (the “Commonwealth”), hereby acknowledges itself obligated to owe and for value received promises to pay in the manner hereinafter provided, to the registered owner identified above or registered assigns, on the maturity date set forth above, the principal sum specified above (the “Principal Component” or “Maturity Value”) in lawful money of the United States of America. This Bond shall not bear interest. This Bond is a Tax Credit Bond issued as a “Qualified Energy Conservation Bond” as defined in Section 54D of the Internal Revenue Code of 1986, as amended (the “Code”) and is composed of the Principal Component and Tax Credit components evidenced by the Tax Credit Certificate (the “Tax Credit Certificate”) attached hereto as Exhibit A, the ownership of which may be separated from the Principal Component. So long as the ownership of the Tax Credit component of this Bond has not been separated from the ownership of the Principal Component of this Bond, the owner of this Bond may be eligible to receive Tax Credits determined based on the Tax Credit Rate set forth above in accordance with Section 54A of the Code as described in the Tax Credit Certificate.

This Bond is one of a duly authorized series of fully registered Bonds, numbered consecutively and designated as above, issued by the Issuer to _____ more fully identified in a Bond Ordinance (the “Bond Ordinance”) duly enacted by the Metro Council of the Issuer on _____, 2009. Capitalized words and terms which are not defined herein are defined in the Bond Ordinance, to which reference is hereby made.

The Bonds are issued or entered into under or pursuant to authorizing provisions of law, including: [i] the Bond Ordinance, [ii] authorizing provisions of the Constitution and laws of the Commonwealth, including Sections 66.011 through 66.191 of the Kentucky Revised Statutes, as amended (the “Act”), and Kentucky Constitution Sections 158 and 159 and [iii] applicable decisions of the appellate courts of the Commonwealth. Acceptance of the terms and conditions of the Bond Ordinance and the Act are a material part of the consideration for the issuance of this bond, and each holder hereof by acceptance of this bond hereby assents to all of such terms and conditions. This bond shall not constitute the personal obligation, either jointly or severally, of the members of the Metro Council or the officers of the Issuer or its employees.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Authentication Certificate hereon shall have been executed by the Bond Registrar.

Bonds issued under the Bond Ordinance shall be issued and reissued from time to time only as fully registered bond without coupons in denominations of \$5,000 or any multiple of \$5,000. The Bonds shall initially be issued in Book-Entry Form and registered in the name of the Securities Depository or the Securities Depository Nominee as provided in Section 3.10 of the Bond Ordinance. Unless the Issuer shall otherwise direct, the Bonds shall be numbered serially from 1 upwards or as the Bond Registrar may determine.

Pursuant to the Bond Ordinance, the Bonds are general obligations of the Issuer and the full faith, credit and taxing power of the Issuer are irrevocably pledged to the prompt payment of the principal of and premium, if any, on the Bonds when due.

Reference is made to the Bond Ordinance, for the provisions with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Bond Registrar and the Bondholders, the terms on which the Bonds are issued and the terms and conditions on which this bond will be deemed to be paid at or prior to its scheduled maturity or redemption on the making of provision for the payment thereof in the manner set forth in the Bond Ordinance.

Pursuant to the Act and the Bond Ordinance, the Bond Registrar is appointed as Bond Registrar, having the duties set forth in the Bond Ordinance. The fifteenth day of the month prior to each date established for payment of principal or premium on the Bonds, whether by maturity, acceleration or redemption, is in the Bond Ordinance established as the record date for the Bonds (the “Record Date”). The Bond Registrar may treat for all purposes the person in whose name any Bond is registered on the Record Date, on the registration books kept by the Bond Registrar, as the absolute owner thereof.

The principal of and premium, if any, on the Bonds not registered in Book-Entry Form to a Securities Depository shall be payable, without exchange or collection charges, in lawful money of the United States of America on their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption or acceleration, at the principal trust office of the Bond Registrar. On request of a Holder of at least \$1,000,000 in aggregate principal amount of the Bonds, all payments of principal of or premium,

if any, on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder.

Principal of and premium, if any, on Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Bond Registrar to the Securities Depository or its nominee. So long as any Bonds remain Outstanding, the Bond Registrar shall keep and maintain at its principal trust office complete registration records in respect of the Bonds and shall provide for the registration of transfer and exchange of the Bonds in accordance with the terms of the Bond Ordinance, subject to such reasonable procedures and regulations as the Bond Registrar may prescribe.

Except as provided in paragraph (b) of Section 3.10 of the Bond Ordinance, the Bonds shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, the Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in paragraph (b) of Section 3.10 of the Bond Ordinance, the Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Issuer or to a nominee of such successor Securities Depository. As to any Bond, the person in whose name the Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, on any such Bond shall be made only to or on the order of the registered owner thereof or his legal representative.

Neither the Issuer nor the Bond Registrar shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the Bonds; (ii) the delivery to any Agent Member, any beneficial owner of the Bonds or any other person, other than the Securities Depository, of any notice with respect to the Bonds; or (iii) the payment to any Agent Member, any beneficial owner of the Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal or premium, if any, on the Bonds.

So long as any Bonds are registered in Book-Entry Form, the Issuer and the Bond Registrar may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation (i) the payment of principal and premium, if any, on the Bonds; (ii) giving notices of redemption and other matters with respect to the Bonds; (iii) registering transfers with respect to the Bonds; (iv) selection of Bonds for redemption; and (v) for purposes of obtaining consents under the Bond Ordinance.

So long as the Bonds are registered in Book-Entry Form, notwithstanding the definition of the term “Bondholder” or “Holder” or “Holder of Bonds” herein, as referencing registered holders of the Bonds, the Bond Registrar shall be entitled to rely on written instructions from a majority of the beneficial owners of the Bonds with reference to consent, if any, required from Holders pursuant to the terms of the Bond Ordinance.

So long as the Bonds are registered in Book-Entry Form, if at any time the Securities Depository notifies the Issuer that it is unwilling or unable to continue as Securities Depository with respect to the Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Issuer within ninety (90) days after the Issuer receives notice or becomes aware of such condition, as the case may be, then Section 3.10 of the Bond Ordinance shall no longer be applicable and the Issuer shall execute and the Bond Registrar shall authenticate and deliver certificates representing the Bonds to the Bondholders.

Payment of principal and premium, if any, on any Bonds not registered in Book-Entry Form shall be made as provided in Section 3.4 of the Bond Ordinance and summarized below.

Except as may be otherwise provided in Section 3.10 of the Bond Ordinance and summarized above for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Bond shall be transferable or exchangeable only on the presentation and surrender thereof at the principal trust office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Holder or his authorized representative.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, Bonds shall be exchangeable for a Bond or Bonds of the same maturity and in Authorized Denominations, within a single maturity in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Bond Registrar shall be and is authorized to authenticate, deliver and exchange Bonds in accordance with the Bond Ordinance. Each Bond delivered in exchange for a surrendered Bond shall constitute an original contractual obligation of the Issuer and shall be entitled to the benefits and security of the Bond Ordinance to the same extent as the Bond or Bonds in lieu of which any Bond is delivered in exchange. Any Bonds surrendered for exchange shall be cancelled by the Bond Registrar and the Bond Registrar shall maintain a complete record of all exchanges, transfers and cancellations of Bonds and shall make a report thereof to the Issuer on request.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, no service charge or other transfer fee shall be charged in connection with any transfer or exchange of a Bond. However, the registered owner of any Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond for the period beginning fifteen (15) days prior to the selection by the Bond Registrar of Bonds to be redeemed prior to maturity and ending on the date of mailing of notice of any such redemption.

On the receipt by the Issuer and the Bond Registrar of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Outstanding Bonds, and of indemnity

satisfactory to them, and on surrender and cancellation of such Bond if mutilated, the Issuer may execute and the Bond Registrar may authenticate and deliver, on the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond. The Issuer and the Bond Registrar may require the payment of costs for each new Bond, and the furnishing of indemnity satisfactory to the Issuer and the Bond Registrar. The Bond Registrar shall incur no liability for anything done by it in the absence of gross negligence or fault.

The Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on December 15, 2012, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before December 15, 2014, in Authorized Denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Bonds held by the Issuer, but only to the extent that the Issuer fails to expend all of the proceeds of the Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon a Determination of Loss of Qualified Energy Conservation Bond Status, the Bonds shall be subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole on the date designated by the Issuer, which date shall be a date on or prior to the May 15 following the next succeeding December 1 after such Determination of Loss of Qualified Energy Conservation Bond Status, at a redemption price equal to (i) the principal amount of the Bonds called for redemption, plus (ii) accrued interest, if applicable, on the principal amount of the Bonds called for redemption (calculated at the interest rate as set forth above) from the Payment Date immediately preceding the redemption date, to the date of redemption, plus (iii) the Redemption Premium.

At least thirty (30) days but not more than sixty (60) days before the redemption date of any Bonds, the Bond Registrar shall cause a notice of redemption to be mailed, by regular United States first class mail, postage prepaid, to all Holders of Bonds to be redeemed in whole or in part at their registered addresses. Failure to mail any notice or any defect therein in respect of any Bond shall not affect the validity of the redemption of any other Bond. Such redemption notice shall set forth the details with respect to redemption. Any Holder owning at least \$1,000,000 in principal amount of the Bonds may request that a second copy of the notice of redemption be sent to a second address provided to the Bond Registrar in writing. A second notice of redemption shall be given within sixty (60) days after the redemption date in the manner required above to the registered owners of redeemed Bonds which have not been presented for payment within thirty (30) days after the redemption date. Any notice mailed as provided in the Bond Ordinance shall be conclusively presumed to have been duly given on mailing, whether or not the owner of such Bonds receives the notice.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified Energy Conservation Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption,

at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

[Sinking Fund Account]

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately pursuant to the Bond Ordinance, the Tax Credit Certificates related to the redeemed Bonds shall be called for redemption in the same manner as the Bonds, and the redemption price shall be allocated to the Principal Components of the Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule I.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery and issuance of this bond have existed, have happened and have been performed in due time, form and manner as required by law; that the issuance of this bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any limitations prescribed by the Constitution or laws of the Commonwealth; that provision has been made for the levying and collection of an annual tax, unlimited as to rate or amount, sufficient, to the extent other lawfully available moneys of the Issuer are not provided for the purpose, to pay the principal of and premium, if any, on this bond as a part as and when the several Bonds and premium, if any, become due and payable; and that the full faith, credit and taxing power of the Issuer are hereby irrevocably pledged for the prompt payment of this bond, and the premium, if any, thereon, as the same from time to time become due and payable.

IN WITNESS WHEREOF, the LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, has caused this bond to be executed with the manual or reproduced facsimile signature of its Mayor or Deputy Mayor and attested by the manual or reproduced facsimile signature of its _____ or _____ and sealed with the original or reproduced facsimile of the seal of the Issuer.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By (Manual or Facsimile Signature)

Title _____

ATTEST:

(Manual or Facsimile Signature)

Title _____

[ORIGINAL OR FACSIMILE OF SEAL]

AUTHENTICATION CERTIFICATE

This Bond is one of the issue of Bonds described and provided for in the within-mentioned Bond Ordinance enacted by the Metro Council of the Louisville/Jefferson County Metro Government, authorizing the issuance of the Louisville/Jefferson County Metro Government, Qualified Energy Conservation Bonds, Series 2009.

_____,
Bond Registrar,
Louisville, Kentucky

By _____
Authorized Officer

Date of Registration
and Authentication: _____

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or in such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

PRINCIPAL STRIP LEGEND

If the ownership of the Principal Component of this Bond is separated from the ownership of the related Tax Credit Certificates the following legend shall be applied to this Bond to evidence that it is a Principal Strip and a new identification number shall be applied to the resulting Principal Strip that is distinct from the identifying number for the original Bond.

[This is a PRINCIPAL COMPONENT ONLY of one of the QUALIFIED ENERGY CONSERVATION BONDS, SERIES 2009, described in the within-mentioned Bond Ordinance and the registered owner of this Principal Strip is not entitled to the related tax credits associated with the Bond or the payment of any redemption price allocable to the Tax Credit Certificates related to the Bond of which this is the Principal Component only. The undersigned has duly authenticated and registered this Principal Strip on _____.]

_____, as Bond Registrar

By: _____
Authorized Officer

[Form of Assignment]

The following abbreviations, when used in the inscription on the face of the within [bond][Principal Strip], shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT — _____ Custodian _____ under
(Cust) (Minor)

Uniform Transfers to Minors Act _____
(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond[Principal Strip] and all rights thereunder and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within [bond][Principal Strip] on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTE: The signature to this assignment must correspond with the name as it appears on the face of the within [bond][Principal Strip] in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: _____

The signature of the assignor must be guaranteed by an eligible guarantor institution which is a member of or participant in a signature guarantee program, pursuant to Securities and Exchange Commission Rule 17Ad-15 or similar rule or program.

Number
R-__

Maturity Value

EXHIBIT A

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
CERTIFICATE EVIDENCING TAX CREDIT ENTITLEMENT

related to the
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT QUALIFIED ENERGY
CONSERVATION BONDS
SERIES 2009

Sale Date of Related Bonds	Issuance Date of Related Bonds	Maturity Date of Related Bonds	Applicable Tax Credit Rate	CUSIP NO. of Related Bonds
_____, 2009	_____, 2009	_____, 15, 20__	%	

CUSIP number		CUSIP number	
Tax Credit Allowance Date	(if stripped from Related Bond) Base:	Tax Credit Allowance Date	(if stripped from Related Bond) Base:
12/15/2009		6/15/2017	
3/15/2010		9/15/2017	
6/15/2010		12/15/2017	
9/15/2010		3/15/2018	
12/15/2010		6/15/2018	
3/15/2011		9/15/2018	
6/15/2011		12/15/2018	
9/15/2011		3/15/2019	
12/15/2011		6/15/2019	
3/15/2012		9/15/2019	
6/15/2012		12/15/2019	
9/15/2012		3/15/2020	
12/15/2012		6/15/2020	
3/15/2013		9/15/2020	
6/15/2013		12/15/2020	
9/15/2013		3/15/2021	
12/15/2013		6/15/2021	
3/15/2014		9/15/2021	
6/15/2014		12/15/2021	
9/15/2014		3/15/2022	
12/15/2014		6/15/2022	
3/15/2015		9/15/2022	
6/15/2015		12/15/2022	
9/15/2010		3/15/2023	
12/15/2015		6/15/2023	
3/15/2016		9/15/2023	
6/15/2016		12/15/2023	
9/15/2016		3/15/2024	
12/15/2016		6/15/2024	
3/15/2017		9/15/2024	

Dated: _____, 2009

Registered Owner:

Notional Amount of

this Certificate: _____ DOLLARS

This certificate evidences the entitlement of the registered owner identified above or registered assigns to the credit (the "Tax Credit"), under Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), against the tax imposed by Chapter 1 of the Code ("Chapter 1"), with respect to the Qualified Energy Conservation Bonds, Series 2009, (the "Related Bonds"), designated as qualified energy conservation bonds pursuant to Section 54D of the Code by the Louisville/Jefferson County Metro Government (the "Issuer"), a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "Commonwealth"). This certificate evidences the Tax Credit component of the Related Bonds and the obligation of the Issuer to maintain the status of the Related Bonds as qualified energy conservation bonds under the Code.

"Tax Credit Allowance Date" means each March 15, June 15, September 15, and December 15, beginning on the date of issuance of the Related Bonds and ending on the maturity date thereof or such of those dates as are specified in the table on the cover page of this Tax Credit Certificate.

Holders on the Tax Credit Allowance Dates specified above shall be allowed a credit against the tax imposed by Chapter 1 in an amount equal to twenty five percent (25%) of the annual credit determined with respect to the Related Bonds, being the product of: (1) the applicable tax credit rate set forth above (the "Applicable Rate"), and (2) the outstanding face amount of the Related Bonds (the "Notional Amount").

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Bonds, designated as "Certificates Evidencing Tax Credit Entitlement related to the Qualified Energy Conservation Bonds, Series 2009" (the "Tax Credit Certificates"). The Tax Credit Certificates are executed and delivered by the Issuer, pursuant to authorizing provisions of law, including (i) the Bond Ordinance duly enacted by the Metro Council of the Issuer on _____, 2009 (the "Bond Ordinance"), (ii) authorizing provisions of the Constitution and laws of the Commonwealth, including Sections 66.011 through 66.191 of the Kentucky Revised Statutes, as amended, and Kentucky Constitution Sections 158 and 159, and (iii) applicable decisions of the appellate courts of the Commonwealth.

The Tax Credit Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the Bond Ordinance.

The Related Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on December 15, 2012, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before December 15, 2014, in Authorized Denominations, at a redemption price equal to the principal

amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Related Bonds held by the Issuer, but only to the extent that the Issuer fails to expend all of the proceeds of the Related Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon Determination of Loss of Qualified Energy Conservation Bond Status, the Related Bonds shall be subject to extraordinary redemption prior to their fixed maturity date, in whole on the date designated by the Issuer, which date shall be a date on or prior to the May 15 following the next succeeding December 1 after such Determination of Loss of Qualified Energy Conservation Bond Status, at a redemption price equal to (i) the principal amount of the Related Bonds called for redemption, plus (ii) accrued interest, if applicable, on the principal amount of the Related Bonds called for redemption (calculated at the interest rate above) from the Payment Date immediately preceding the redemption date to the date of redemption, plus (iii) the Redemption Premium.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified Energy Conservation Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

[Sinking Fund Account]

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Related Bonds and registered separately pursuant to the Bond Ordinance, the Tax Credit Certificates related to the redeemed Related Bonds shall be called for redemption in the same manner as the Related Bonds, and the redemption price shall be allocated to the Principal Components of the Related Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule 1.

The Issuer hereby certifies and declares that all acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Tax Credit Certificate have been done and performed in strict conformity with the laws authorizing the execution and delivery of this Tax Credit Certificate; and that this Tax Credit Certificate is in substantially the form prescribed by the Issuer.

The Issuer shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue if such action or inaction would cause the Related Bonds to not be qualified energy conservation bonds under section 54D of the Code. Without limiting the generality of the forgoing, the Issuer shall comply with the instructions and requirements of the tax certificate of the Issuer (the "Tax Certificate"). Notwithstanding any provisions of this paragraph, if the Issuer shall provide an opinion of Bond Counsel that any specified action

required under the Tax Certificate is no longer required or that some further or different action is required in order for the Related Bonds to be qualified energy conservation bonds under Section 54D of the Code, the Issuer and the Bond Registrar may conclusively rely on such opinion in complying with the requirements of this paragraph and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the Issuer and authenticated by the manual signature of a duly authorized officer of the Bond Registrar.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery and issuance of this Certificate have existed, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Certificate and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any limitations prescribed by the Constitution or laws of the Commonwealth; that provision has been made for the levying and collection of an annual tax, unlimited as to rate or amount, sufficient, to the extent other lawfully available moneys of the Issuer are not provided for the purpose, to pay the amounts due, if any, on this Certificate as a part as and when the several Certificates become due and payable; and that the full faith, credit and taxing power of the Issuer are hereby irrevocably pledged for the prompt payment of this Certificate, and the premium, if any, thereon, as the same from time to time become due and payable.

IN WITNESS WHEREOF, the LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, has caused this Certificate to be executed with the manual or reproduced facsimile signature of its Mayor or Deputy Mayor and attested by the manual or reproduced facsimile signature of its _____ or _____ and sealed with the original or reproduced facsimile of the seal of the Issuer.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By (Manual or Facsimile Signature)

Title _____

ATTEST:

(Manual or Facsimile Signature)

Title _____

[ORIGINAL OR FACSIMILE OF SEAL]

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the CERTIFICATES EVIDENCING TAX CREDIT ENTITLEMENT RELATED TO THE QUALIFIED ENERGY CONSERVATION BONDS, SERIES 2009, described in the within-mentioned Bond Ordinance and authenticated and registered on _____, 2009.

_____, as Bond Registrar

By: _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

SCHEDULE I
Table of Redemption Values for Tax Credits and Principal Strips

EXHIBIT B-2

[FORM OF BOND AND TAX CREDIT CERTIFICATE]

Number

R-__

Principal Amount

\$4,000,000

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
QUALIFIED ENERGY CONSERVATION BOND, SERIES 2009

**THE LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT HAS DESIGNATED THIS BOND AS A
QUALIFIED ENERGY CONSERVATION BOND WITHIN
THE MEANING OF SECTION 54D OF THE
INTERNAL REVENUE CODE OF 1986, AS AMENDED.**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Tax Credit Rate</u>	<u>Dated as of</u>	<u>CUSIP NO.</u>
____ 15, 20	____.____%	____.____%	____ __, 2009	

Registered Owner:

Principal Sum: DOLLARS

The Louisville/Jefferson County Metro Government (the “Issuer”), a municipal corporation and political subdivision of the Commonwealth of Kentucky (the “Commonwealth”), hereby acknowledges itself obligated to owe and for value received promises to pay in the manner hereinafter provided, to the registered owner identified above or registered assigns, on the maturity date set forth above, the principal sum specified above (the “Principal Component” or “Maturity Value”) in lawful money of the United States of America, and to pay interest thereon from the Dated Date hereof at the Interest Rate per annum shown above (computed on the basis of a 360 day year of twelve 30 day months), payable semi-annually on June, 15 and December 15 of each year commencing June 15, 2010, until payment of the Principal Component is paid in full.

This Bond is a Tax Credit Bond issued as a “Qualified Energy Conservation Bond” as defined in Section 54D of the Internal Revenue Code of 1986, as amended (the “Code”) and is composed of the Principal Component and Tax Credit components evidenced by the Tax Credit Certificate (the “Tax Credit Certificate”) attached hereto as Exhibit A, the ownership of which may be separated from the Principal Component. So long as the ownership of the Tax Credit component of this Bond has not been separated from the ownership of the Principal Component of this Bond, the owner of this Bond may be eligible to receive Tax Credits determined based on the Tax Credit Rate set forth above in accordance with Section 54A of the Code as described in the Tax Credit Certificate.

This Bond is one of a duly authorized series of fully registered Bonds, numbered consecutively and designated as above, issued by the Issuer to _____

more fully identified in a Bond Ordinance (the “Bond Ordinance”) duly enacted by the Metro Council of the Issuer on _____, 2009. Capitalized words and terms which are not defined herein are defined in the Bond Ordinance, to which reference is hereby made.

The Bonds are issued or entered into under or pursuant to authorizing provisions of law, including: [i] the Bond Ordinance, [ii] authorizing provisions of the Constitution and laws of the Commonwealth, including Sections 66.011 through 66.191 of the Kentucky Revised Statutes, as amended (the “Act”), and Kentucky Constitution Sections 158 and 159 and [iii] applicable decisions of the appellate courts of the Commonwealth. Acceptance of the terms and conditions of the Bond Ordinance and the Act are a material part of the consideration for the issuance of this bond, and each holder hereof by acceptance of this bond hereby assents to all of such terms and conditions. This bond shall not constitute the personal obligation, either jointly or severally, of the members of the Metro Council or the officers of the Issuer or its employees.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Authentication Certificate hereon shall have been executed by the Bond Registrar.

Bonds issued under the Bond Ordinance shall be issued and reissued from time to time only as fully registered bond without coupons in denominations of \$5,000 or any multiple of \$5,000. The Bonds shall initially be issued in Book-Entry Form and registered in the name of the Securities Depository or the Securities Depository Nominee as provided in Section 3.10 of the Bond Ordinance. Unless the Issuer shall otherwise direct, the Bonds shall be numbered serially from 1 upwards or as the Bond Registrar may determine.

Pursuant to the Bond Ordinance, the Bonds are general obligations of the Issuer and the full faith, credit and taxing power of the Issuer are irrevocably pledged to the prompt payment of the principal of and interest (and premium, if any), on the Bonds when due.

Reference is made to the Bond Ordinance, for the provisions with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Bond Registrar and the Bondholders, the terms on which the Bonds are issued and the terms and conditions on which this bond will be deemed to be paid at or prior to its scheduled maturity or redemption on the making of provision for the payment thereof in the manner set forth in the Bond Ordinance.

Pursuant to the Act and the Bond Ordinance, the Bond Registrar is appointed as Bond Registrar, having the duties set forth in the Bond Ordinance. The fifteenth day of the month prior to each date established for payment of principal, interest or premium on the Bonds, whether by maturity, acceleration or redemption, is in the Bond Ordinance established as the record date for the Bonds (the “Record Date”). The Bond Registrar may treat for all purposes the person in whose name any Bond is registered on the Record Date, on the registration books kept by the Bond Registrar, as the absolute owner thereof.

The principal of and premium, if any, on the Bonds not registered in Book-Entry Form to a Securities Depository shall be payable, without exchange or collection charges, in

lawful money of the United States of America on their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption or acceleration, at the principal trust office of the Bond Registrar. On request of a Holder of at least \$1,000,000 in aggregate principal amount of the Bonds, all payments of principal of or premium, if any, or interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder.

Principal of, and premium, if any, and interest on Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Bond Registrar to the Securities Depository or its nominee. So long as any Bonds remain Outstanding, the Bond Registrar shall keep and maintain at its principal trust office complete registration records in respect of the Bonds and shall provide for the registration of transfer and exchange of the Bonds in accordance with the terms of the Bond Ordinance, subject to such reasonable procedures and regulations as the Bond Registrar may prescribe.

Except as provided in paragraph (b) of Section 3.10 of the Bond Ordinance, the Bonds shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, the Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in paragraph (b) of Section 3.10 of the Bond Ordinance, the Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Issuer or to a nominee of such successor Securities Depository. As to any Bond, the person in whose name the Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or on the order of the registered owner thereof or his legal representative.

Neither the Issuer nor the Bond Registrar shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the Bonds; (ii) the delivery to any Agent Member, any beneficial owner of the Bonds or any other person, other than the Securities Depository, of any notice with respect to the Bonds; or (iii) the payment to any Agent Member, any beneficial owner of the Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal or premium, if any, or interest on the Bonds.

So long as any Bonds are registered in Book-Entry Form, the Issuer and the Bond Registrar may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation (i) the payment of principal and premium, if any, and interest on the Bonds; (ii) giving notices of redemption and other matters with respect to the Bonds; (iii) registering transfers with respect to the Bonds; (iv) selection of Bonds for redemption; and (v) for purposes of obtaining consents under the Bond Ordinance.

So long as the Bonds are registered in Book-Entry Form, notwithstanding the definition of the term “Bondholder” or “Holder” or “Holder of Bonds” herein, as referencing registered holders of the Bonds, the Bond Registrar shall be entitled to rely on written instructions from a majority of the beneficial owners of the Bonds with reference to consent, if any, required from Holders pursuant to the terms of the Bond Ordinance.

So long as the Bonds are registered in Book-Entry Form, if at any time the Securities Depository notifies the Issuer that it is unwilling or unable to continue as Securities Depository with respect to the Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Issuer within ninety (90) days after the Issuer receives notice or becomes aware of such condition, as the case may be, then Section 3.10 of the Bond Ordinance shall no longer be applicable and the Issuer shall execute and the Bond Registrar shall authenticate and deliver certificates representing the Bonds to the Bondholders.

Payment of principal and premium, if any, and interest on any Bonds not registered in Book-Entry Form shall be made as provided in Section 3.4 of the Bond Ordinance and summarized below.

Except as may be otherwise provided in Section 3.10 of the Bond Ordinance and summarized above for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Bond shall be transferable or exchangeable only on the presentation and surrender thereof at the principal trust office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Holder or his authorized representative.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, Bonds shall be exchangeable for a Bond or Bonds of the same maturity and interest rate and in Authorized Denominations, within a single maturity in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Bond Registrar shall be and is authorized to authenticate, deliver and exchange Bonds in accordance with the Bond Ordinance. Each Bond delivered in exchange for a surrendered Bond shall constitute an original contractual obligation of the Issuer and shall be entitled to the benefits and security of the Bond Ordinance to the same extent as the Bond or Bonds in lieu of which any Bond is delivered in exchange. Any Bonds surrendered for exchange shall be cancelled by the Bond Registrar and the Bond Registrar shall maintain a complete record of all exchanges, transfers and cancellations of Bonds and shall make a report thereof to the Issuer on request.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, no service charge or other transfer fee shall be charged in connection with any transfer or exchange of a Bond. However, the registered owner of any Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond for the period beginning fifteen (15) days prior to the selection by the Bond Registrar of Bonds to be redeemed prior to maturity and ending on the date of mailing of notice of any such redemption.

On the receipt by the Issuer and the Bond Registrar of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Outstanding Bonds, and of indemnity satisfactory to them, and on surrender and cancellation of such Bond if mutilated, the Issuer may execute and the Bond Registrar may authenticate and deliver, on the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond. The Issuer and the Bond Registrar may require the payment of costs for each new Bond, and the furnishing of indemnity satisfactory to the Issuer and the Bond Registrar. The Bond Registrar shall incur no liability for anything done by it in the absence of gross negligence or fault.

The Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on December 15, 2012, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before December 15, 2014, in Authorized Denominations, at a redemption price equal to the principal amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Bonds held by the Issuer, but only to the extent that the Issuer fails to expend all of the proceeds of the Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon a Determination of Loss of Qualified Energy Conservation Bond Status, the Bonds shall be subject to extraordinary mandatory redemption prior to their fixed maturity date, in whole on the date designated by the Issuer, which date shall be a date on or prior to the May 15 following the next succeeding December 1 after such Determination of Loss of Qualified Energy Conservation Bond Status, at a redemption price equal to (i) the principal amount of the Bonds called for redemption, plus (ii) accrued interest on the principal amount of the Bonds called for redemption (calculated at the interest rate above) from the Payment Date immediately preceding the redemption date to the date of redemption, plus (iii) the Redemption Premium.

At least thirty (30) days but not more than sixty (60) days before the redemption date of any Bonds, the Bond Registrar shall cause a notice of redemption to be mailed, by regular United States first class mail, postage prepaid, to all Holders of Bonds to be redeemed in whole or in part at their registered addresses. Failure to mail any notice or any defect therein in respect of any Bond shall not affect the validity of the redemption of any other Bond. Such redemption notice shall set forth the details with respect to redemption. Any Holder owning at least \$1,000,000 in principal amount of the Bonds may request that a second copy of the notice of redemption be sent to a second address provided to the Bond Registrar in writing. A second notice of redemption shall be given within sixty (60) days after the redemption date in the manner required above to the registered owners of redeemed Bonds which have not been presented for payment within thirty (30) days after the redemption date. Any notice mailed as provided in the Bond Ordinance shall be conclusively presumed to have been duly given on mailing, whether or not the owner of such Bonds receives the notice. On the giving of notice and

the deposit of funds for redemption, interest on the Bonds so called for redemption shall cease to accrue after the date fixed for redemption.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified Energy Conservation Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

[Sinking Fund Account]

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Bonds and registered separately pursuant to the Bond Ordinance, the Tax Credit Certificates related to the redeemed Bonds shall be called for redemption in the same manner as the Bonds, and the redemption price shall be allocated to the Principal Components of the Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule I.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery and issuance of this bond have existed, have happened and have been performed in due time, form and manner as required by law; that the issuance of this bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any limitations prescribed by the Constitution or laws of the Commonwealth; that provision has been made for the levying and collection of an annual tax, unlimited as to rate or amount, sufficient, to the extent other lawfully available moneys of the Issuer are not provided for the purpose, to pay the principal of and interest thereon and premium, if any, on this bond as a part as and when the several Bonds and interest thereon and premium, if any, become due and payable; and that the full faith, credit and taxing power of the Issuer are hereby irrevocably pledged for the prompt payment of this bond, and the premium, if any, thereon, as the same from time to time become due and payable.

IN WITNESS WHEREOF, the LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, has caused this bond to be executed with the manual or reproduced facsimile signature of its Mayor or Deputy Mayor and attested by the manual or reproduced facsimile signature of its _____ or _____ and sealed with the original or reproduced facsimile of the seal of the Issuer.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By (Manual or Facsimile Signature)

Title _____

ATTEST:

(Manual or Facsimile Signature)

Title _____

[ORIGINAL OR FACSIMILE OF SEAL]

AUTHENTICATION CERTIFICATE

This Bond is one of the issue of Bonds described and provided for in the within-mentioned Bond Ordinance enacted by the Metro Council of the Louisville/Jefferson County Metro Government, authorizing the issuance of the Louisville/Jefferson County Metro Government, Qualified Energy Conservation Bonds, Series 2009.

_____,
Bond Registrar,
Louisville, Kentucky

By _____
Authorized Officer

Date of Registration
and Authentication: _____

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or in such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

PRINCIPAL STRIP LEGEND

If the ownership of the Principal Component of this Bond is separated from the ownership of the related Tax Credit Certificates the following legend shall be applied to this Bond to evidence that it is a Principal Strip and a new identification number shall be applied to the resulting Principal Strip that is distinct from the identifying number for the original Bond.

[This is a PRINCIPAL COMPONENT ONLY of one of the QUALIFIED ENERGY CONSERVATION BONDS, SERIES 2009, described in the within-mentioned Bond Ordinance and the registered owner of this Principal Strip is not entitled to the related tax credits associated with the Bond or the payment of any redemption price allocable to the Tax Credit Certificates related to the Bond of which this is the Principal Component only. The undersigned has duly authenticated and registered this Principal Strip on _____.]

_____, as Bond Registrar

By: _____
Authorized Officer

[Form of Assignment]

The following abbreviations, when used in the inscription on the face of the within [bond][Principal Strip], shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT TEN -- as joint tenants with right of survivorship and not as tenants in common
UNIF TRANS MIN ACT — _____ Custodian _____ under
(Cust) (Minor)
Uniform Transfers to Minors Act _____
(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond[Principal Strip] and all rights thereunder and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within [bond][Principal Strip] on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTE: The signature to this assignment must correspond with the name as it appears on the face of the within [bond][Principal Strip] in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: _____

The signature of the assignor must be guaranteed by an eligible guarantor institution which is a member of or participant in a signature guarantee program, pursuant to Securities and Exchange Commission Rule 17Ad-15 or similar rule or program.

Number
R-__

Maturity Value

EXHIBIT A

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
CERTIFICATE EVIDENCING TAX CREDIT ENTITLEMENT

related to the
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT QUALIFIED ENERGY
CONSERVATION BONDS
SERIES 2009

Sale Date of Related Bonds	Issuance Date of Related Bonds	Maturity Date of Related Bonds	Applicable Tax Credit Rate	CUSIP NO. of Related Bonds
_____, 2009	_____, 2009	_____, 15, 20__	%	

CUSIP number		CUSIP number	
Tax Credit Allowance Date	(if stripped from Related Bond) Base:	Tax Credit Allowance Date	(if stripped from Related Bond) Base:
12/15/2009		6/15/2017	
3/15/2010		9/15/2017	
6/15/2010		12/15/2017	
9/15/2010		3/15/2018	
12/15/2010		6/15/2018	
3/15/2011		9/15/2018	
6/15/2011		12/15/2018	
9/15/2011		3/15/2019	
12/15/2011		6/15/2019	
3/15/2012		9/15/2019	
6/15/2012		12/15/2019	
9/15/2012		3/15/2020	
12/15/2012		6/15/2020	
3/15/2013		9/15/2020	
6/15/2013		12/15/2020	
9/15/2013		3/15/2021	
12/15/2013		6/15/2021	
3/15/2014		9/15/2021	
6/15/2014		12/15/2021	
9/15/2014		3/15/2022	
12/15/2014		6/15/2022	
3/15/2015		9/15/2022	
6/15/2015		12/15/2022	
9/15/2010		3/15/2023	
12/15/2015		6/15/2023	
3/15/2016		9/15/2023	
6/15/2016		12/15/2023	
9/15/2016		3/15/2024	
12/15/2016		6/15/2024	
3/15/2017		9/15/2024	

Dated: _____, 2009

Registered Owner:

Notional Amount of

this Certificate: _____ DOLLARS

This certificate evidences the entitlement of the registered owner identified above or registered assigns to the credit (the "Tax Credit"), under Section 54A of the Internal Revenue Code of 1986, as amended (the "Code"), against the tax imposed by Chapter 1 of the Code ("Chapter 1"), with respect to the Qualified Energy Conservation Bonds, Series 2009, (the "Related Bonds"), designated as qualified energy conservation bonds pursuant to Section 54D of the Code by the Louisville/Jefferson County Metro Government (the "Issuer"), a municipal corporation and political subdivision of the Commonwealth of Kentucky (the "Commonwealth"). This certificate evidences the Tax Credit component of the Related Bonds and the obligation of the Issuer to maintain the status of the Related Bonds as qualified energy conservation bonds under the Code.

"Tax Credit Allowance Date" means each March 15, June 15, September 15, and December 15, beginning on the date of issuance of the Related Bonds and ending on the maturity date thereof or such of those dates as are specified in the table on the cover page of this Tax Credit Certificate.

Holders on the Tax Credit Allowance Dates specified above shall be allowed a credit against the tax imposed by Chapter 1 in an amount equal to twenty five percent (25%) of the annual credit determined with respect to the Related Bonds, being the product of: (1) the applicable tax credit rate set forth above (the "Applicable Rate"), and (2) the outstanding face amount of the Related Bonds (the "Notional Amount").

This certificate is executed and delivered in conjunction with and as a component part of the Related Bonds and, together with other similar certificates relating to the Bonds, designated as "Certificates Evidencing Tax Credit Entitlement related to the Qualified Energy Conservation Bonds, Series 2009" (the "Tax Credit Certificates"). The Tax Credit Certificates are executed and delivered by the Issuer, pursuant to authorizing provisions of law, including (i) the Bond Ordinance duly enacted by the Metro Council of the Issuer on _____, 2009 (the "Bond Ordinance"), (ii) authorizing provisions of the Constitution and laws of the Commonwealth, including Sections 66.011 through 66.191 of the Kentucky Revised Statutes, as amended, and Kentucky Constitution Sections 158 and 159, and (iii) applicable decisions of the appellate courts of the Commonwealth.

The Tax Credit Certificates are subject to registration, transfer and exchange as provided in and subject to the terms and provisions of the Bond Ordinance.

The Related Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on December 15, 2012, or, in the event of an extension negotiated with the Internal Revenue Service, on a Tax Credit Allowance Date that occurs on or before December 15, 2014, in Authorized Denominations, at a redemption price equal to the principal

amount of the Bonds called for redemption, in an amount equal to unexpended proceeds of the sale of the Related Bonds held by the Issuer, but only to the extent that the Issuer fails to expend all of the proceeds of the Related Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the Internal Revenue Service.

Upon Determination of Loss of Qualified Energy Conservation Bond Status, the Related Bonds shall be subject to extraordinary redemption prior to their fixed maturity date, in whole on the date designated by the Issuer, which date shall be a date on or prior to the May 15 following the next succeeding December 1 after such Determination of Loss of Qualified Energy Conservation Bond Status, at a redemption price equal to (i) the principal amount of the Related Bonds called for redemption, plus (ii) accrued interest on the principal amount of the Related Bonds called for redemption (calculated at the interest rate above) from the Payment Date immediately preceding the redemption date to the date of redemption, plus (iii) the Redemption Premium.

In addition, in the event that any Tax Credits recognized prior to the date of redemption are determined to be ineligible as Tax Credits as a result of the Determination of Loss of Qualified Energy Conservation Bond Status, the redemption price shall include an additional amount payable to the owners, as of the applicable Tax Credit Allowance Dates, of the Tax Credit Certificates for such Tax Credits equal to the amount of such Tax Credits, plus interest thereon from the applicable Tax Credit Allowance Date to the date of redemption, at a rate equal to the large corporate underpayment rate determined from time to time by the Internal Revenue Service.

[Sinking Fund Account]

In the event that the ownership of the Tax Credit Certificates has been separated from the ownership of the Related Bonds and registered separately pursuant to the Bond Ordinance, the Tax Credit Certificates related to the redeemed Related Bonds shall be called for redemption in the same manner as the Related Bonds, and the redemption price shall be allocated to the Principal Components of the Related Bonds and the Tax Credit Certificates in the proportions set forth in the Table of Redemption Values for Tax Credits and Principal Strips attached hereto as Schedule 1.

The Issuer hereby certifies and declares that all acts, conditions and things required by law to be done or performed precedent to and in the execution and delivery of this Tax Credit Certificate have been done and performed in strict conformity with the laws authorizing the execution and delivery of this Tax Credit Certificate; and that this Tax Credit Certificate is in substantially the form prescribed by the Issuer.

The Issuer shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue if such action or inaction would cause the Related Bonds to not be qualified energy conservation bonds under section 54D of the Code. Without limiting the generality of the foregoing, the Issuer shall comply with the instructions and requirements of the tax certificate of the Issuer (the "Tax Certificate"). Notwithstanding any provisions of this paragraph, if the Issuer shall provide an opinion of Bond Counsel that any specified action

required under the Tax Certificate is no longer required or that some further or different action is required in order for the Related Bonds to be qualified energy conservation bonds under Section 54D of the Code, the Issuer and the Bond Registrar may conclusively rely on such opinion in complying with the requirements of this paragraph and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

This Certificate shall not be entitled to any benefit or be valid for any purpose unless signed by manual or facsimile signature of an authorized signatory of the Issuer and authenticated by the manual signature of a duly authorized officer of the Bond Registrar.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery and issuance of this Certificate have existed, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Certificate and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any limitations prescribed by the Constitution or laws of the Commonwealth; that provision has been made for the levying and collection of an annual tax, unlimited as to rate or amount, sufficient, to the extent other lawfully available moneys of the Issuer are not provided for the purpose, to pay the amounts due, if any, on this Certificate as a part as and when the several Certificates become due and payable; and that the full faith, credit and taxing power of the Issuer are hereby irrevocably pledged for the prompt payment of this Certificate, and the premium, if any, thereon, as the same from time to time become due and payable.

IN WITNESS WHEREOF, the LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, has caused this Certificate to be executed with the manual or reproduced facsimile signature of its Mayor or Deputy Mayor and attested by the manual or reproduced facsimile signature of its _____ or _____ and sealed with the original or reproduced facsimile of the seal of the Issuer.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By (Manual or Facsimile Signature)

Title _____

ATTEST:

(Manual or Facsimile Signature)

Title _____

[ORIGINAL OR FACSIMILE OF SEAL]

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the CERTIFICATES EVIDENCING TAX CREDIT ENTITLEMENT RELATED TO THE QUALIFIED ENERGY CONSERVATION BONDS, SERIES 2009, described in the within-mentioned Bond Ordinance and authenticated and registered on _____, 2009.

_____, as Bond Registrar

By: _____
Authorized Officer

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

SCHEDULE I
Table of Redemption Values for Tax Credits and Principal Strips

EXHIBIT C

FORM OF DISCLOSURE CERTIFICATE FOR BONDS

CONTINUING DISCLOSURE CERTIFICATE

The Louisville/Jefferson County Metro Government (the “Issuer”) hereby delivers this Continuing Disclosure Certificate to the underwriters of the above-captioned Issuer’s Qualified Energy Conservation Bonds, Series 2009, dated on original issuance as of _____, 2009 (the “Bonds”), which are being issued on and as of the date hereof, in order to assist the underwriters in complying with the requirements of subsection (5) of section (b) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission (the “Commission”). This Certificate is also delivered for the benefit of the holders from time to time of the Bonds.

1. The Issuer hereby undertakes to provide:

A. To each Repository annual financial information for the Issuer with respect to the fiscal year of the Issuer ending June 30, 2009, and each fiscal year thereafter;

B. If not submitted as part of the annual financial information, then when and if available, to each Repository, audited financial statements for the Issuer with respect to the fiscal year of the Issuer ending June 30, 2009, and each fiscal year thereafter (provided the Issuer undertakes to provide unaudited financial statements as part of the annual financial information, to the extent audited financial statements are unavailable at the time the annual financial information is provided pursuant to A above);

C. In a timely manner, to each Repository, notice of any of the following events with respect to the Bonds, if material:

- [1] Principal and interest, if applicable, payment delinquencies;
- [2] Non-payment related defaults;
- [3] Unscheduled draws on debt service reserves reflecting financial difficulties;
- [4] Unscheduled draws on credit enhancements reflecting financial difficulties;
- [5] Substitution of credit or liquidity providers, or their failure to perform;
- [6] Adverse tax opinions or events affecting the qualified energy conservation status of Bonds;
- [7] Modifications to rights of holders of the Bonds;

- [8] Bond calls;
- [9] Defeasances;
- [10] Releases, substitutions or sales of property securing repayment of the Bonds; and
- [11] Rating changes; and

D. In a timely manner, to each Repository, notice of a failure of the Issuer to provide required annual financial information, on or before the applicable date, if any, specified below in this Continuing Disclosure Certificate.

2. Annual financial information and notices of material events will be provided under this Continuing Disclosure Certificate only for the Issuer.

3. Below is a description, in reasonable detail, of the type of financial information and operating data to be provided as part of the annual financial information: (All references to headings and appendices below are to the final Official Statement dated _____, 2009, for the Bonds (“Official Statement”), except where otherwise noted.) The information and data described under the headings, _____ and _____ and in the Appendix entitled _____.

4. Below is a description, in reasonable detail, of the accounting principles pursuant to which financial statements of the Issuer will be prepared, and whether the financial statements will be audited. As described in the notes to the financial statements which are included in the Official Statement, the financial statements of the Issuer have been prepared in conformity with generally accepted accounting principles as applied to governmental units, and the Issuer intends that its financial statements will continue to be so prepared. The Issuer has adopted, and intends to continue to utilize, Statement No. 20 of the Governmental Accounting Standards Board (“GASB”), “Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting.” The Issuer has elected to apply, and intends to continue to apply, all applicable GASB pronouncements as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

5. The date on which the annual financial information for the preceding fiscal year will be provided is each January 1 (including the actual audit). The annual financial information will be provided to each Repository, to the extent, if any, described above.

6. Notwithstanding the foregoing provisions, the obligations of the Issuer described above in this Continuing Disclosure Certificate will be terminated, effective immediately if and when the Issuer no longer remains an “obligated person” (within the meaning of the Rule) with respect to the Bonds.

7. Any right to enforce this Continuing Disclosure Certificate shall be limited to obtaining specific enforcement of the Issuer’s obligations hereunder. Failure by the Issuer to

comply with this Continuing Disclosure Certificate shall not be an event of default under the Bonds or the Bond Ordinance (as defined in the Bonds).

8. The Issuer from time to time may elect (but is not contractually bound) to provide other periodic reports or financial information, or notice of the occurrence of other events, in addition to those described in this Continuing Disclosure Certificate.

9. The following definitions shall apply to this Continuing Disclosure Certificate:

“National Repository” means the Municipal Securities Rulemaking Board (<http://emma.msrb.org>). The National Repositories approved from time to time by the Commission are set forth on the Commission’s website (<http://www.sec.gov/info/municipal/nrmsir.htm>).

“Repository” means National Repository and each State Repository.

“State Repository” shall mean any public or private repository or entity designated by the Commonwealth of Kentucky as a state repository for the purpose of the Rule and recognized as such by the Commission. As of the date hereof, there is no State Repository.

IN WITNESS WHEREOF, the Louisville/Jefferson County Metro Government has caused this Continuing Disclosure Certificate to be executed and delivered this day on its behalf by its Mayor and Director Office of Management and Budget, each being duly authorized thereunto.

DATED this ____ day of _____, 2009.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By _____
Mayor

By _____
Director Office of Management and Budget

EXHIBIT D

NOTICE OF BOND SALE

\$4,000,000* Louisville/Jefferson County (Kentucky) Metro Government
Qualified Energy Conservation Bonds, Series 2009

The Louisville/Jefferson County Metro Government (the "Issuer"), a municipal corporation and political subdivision of the Commonwealth of Kentucky, and the Louisville/Jefferson County Revenue Commission, a division of the Issuer, will until the hour of __: __.m. Eastern Time, on _____, 2009 (and as more particularly described in the Official Notice of Sale for the Bonds), receive in the office of the Director Office of Management and Budget of the Issuer, 611 West Jefferson Street, Louisville, Kentucky 40202, competitive bids for the purchase of \$_____ of the Issuer's Qualified Energy Conservation Bonds, Series 2009 (the "Bonds"). The Bonds are proposed to be issued pursuant to, inter alia, the provisions of (i) a Bond Ordinance [which is expected to be considered for enactment by][which was enacted by] the Metro Council of the Issuer on _____, 2009, and (ii) Sections 66.011 through 66.191 of the Kentucky Revised Statutes, as amended. On their issuance, the Bonds shall be registered in the name of a nominee of The Depository Trust Company ("DTC") which will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds may be made in book-entry form only, in the principal amount of \$5,000 or any multiple of \$5,000. The Bonds shall mature, and are subject to such prior mandatory redemption, as is described in the Preliminary Official Statement and the Official Notice of Sale for the Bonds which are available from Public Financial Management, Inc., 530 Oak Court Drive, Memphis, Tennessee 38117, telephone number (901) 682-8356 and Morgan Keegan & Company, Inc., 50 North Front Street, 16th Floor, Memphis, Tennessee 38103, telephone number (901) 579-4393. Reference should be made to the Official Notice of Sale and the Preliminary Official Statement for the Bonds, for details and bidding conditions. The Bonds will be sold subject to the approving legal opinions of Wyatt, Tarrant & Combs, LLP and Stites & Harbison, PLLC, Bond Counsel. The right to reject any and all bids or to waive any informality or irregularity in the bids, is expressly reserved. Delivery of the Bonds on or prior to _____, 2009, is anticipated.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By: /s/
Director Office of Management and Budget

LOUISVILLE/JEFFERSON COUNTY REVENUE
COMMISSION

By: /s/
Secretary-Treasurer

*Preliminary, subject to change as provided in Official Notice of Sale.

EXHIBIT E

OFFICIAL BID FORM FOR BONDS

_____, 2009

Louisville/Jefferson County Metro Government
Louisville/Jefferson County Revenue Commission
c/o Director Office of Management and Budget
611 West Jefferson Street
Louisville, Kentucky 40202

To whom it concerns:

The undersigned hereby submits the following offer to purchase the \$4,000,000¹ Qualified Energy Conservation Bonds, Series 2009 (the "Bonds"), to be dated as of the date of their original issuance and delivery, of the Louisville/Jefferson County Metro Government (the "Issuer").

This bid is made subject to the Official Notice of Sale for the Bonds, which is incorporated herein by reference as though fully set forth herein, and to all of the terms and conditions of which the undersigned, on behalf of the undersigned and our syndicate or selling group, agrees.

The undersigned hereby offers to purchase the entire aggregate principal amount of the Bonds to be issued and will pay you therefor a price equal to \$_____, which is equal to _____% (may not be less than par) of the principal amount thereof. The Bonds may or may not bear interest. The Bonds shall mature and be subject to the qualified energy conservation bond tax credit rate as follows:

Estimated Maturity ²	Preliminary Amount ¹	Estimated Federal Tax Credit ²
20__	\$4,000,000	_____%

In accordance with the Official Terms and Conditions of Bond Sale we agree that, if we are the successful bidder for the Bonds, we will wire transfer, by the close of business on _____, 2009, to _____, Louisville, Kentucky for the credit of the Issuer, the amount of Forty Thousand Dollars. We understand that such amount shall be applied to the purchase price of the Bonds and no interest will be allowed thereon. If the undersigned should

¹ Preliminary, subject to change as provided in the Official Notice of Sale.

² The qualified energy conservation bond credit rate shall be the rate published daily by the Bureau of Public Debt on its Internet site for State and Local Government Bonds at <http://www.publicdebt.treas.gov> on the date the winning bid is accepted. The final maturity of the Bonds will be fixed in accordance with the maximum term as set out on the above referenced Internet site.

fail to accept and pay for the Bonds when tendered for delivery, such amount will be retained by the Issuer as agreed liquidated damages.

If this bid is accepted and the Bonds are awarded to us, we agree [i] to supply the names and tax identification numbers of the registered owners of the Bonds to be delivered, and the denomination of each Bond (\$5,000 or any whole multiple of \$5,000), not later than seven (7) days prior to the date of delivery, by written direction to the Bond Registrar for the Bonds, _____, Louisville, Kentucky and [ii] to certify to the Issuer at the time of the initial issuance of the Bonds the initial offering or reoffering prices of the Bonds to the public (excluding bond houses, brokers, and other intermediaries) at which prices a substantial amount of the Bonds have been sold and to acknowledge that the Issuer will rely on such certification in making its certification at closing with respect to, and otherwise complying with, the Internal Revenue Code. This bid is made with the understanding that the Issuer will notify the successful bidder of any increases or decreases in the principal amounts of the Bonds in the aggregate pursuant to the Official Terms and Conditions of Bond Sale, not later than four (4) hours after the bid opening.

The above is our purchase offer.

Respectfully submitted,

Authorized Signature

Name of Bidder or Representative of Taxpayer

Address

ACCEPTED by the Issuer for the final aggregate principal amount of \$_____, with maturity described below, at an adjusted purchase price of \$_____ (___%), this _____ day of _____, 2009.

Final Maturity	Final Amount	Interest Rate (if applicable)	Federal Tax Credit
20__	\$_____	_____%	_____%

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By_____

Title_____

LOUISVILLE/JEFFERSON COUNTY REVENUE
COMMISSION

By_____

Title_____

EXHIBIT F

OFFICIAL NOTICE OF SALE FOR BONDS

OFFICIAL NOTICE OF SALE

Louisville/Jefferson County Metro Government

\$4,000,000* Qualified Energy Conservation Bonds, Series 2009

Electronic Bids, as Described Herein
Will Be Accepted Until
_____.m., Eastern Time, _____, 2009**

* Subject to change [both before and after award] as provided in this Official Notice of Sale.

** Subject to change before the sale date and time as provided in this Official Notice of Sale.

OFFICIAL NOTICE OF SALE

Louisville/Jefferson County (Kentucky) Metro Government

\$4,000,000* Qualified Energy Conservation Obligation Bonds, Series 2009

NOTICE IS HEREBY GIVEN that electronic bids will be received on the date and up to the time specified below:

SALE DATE: _____, ___, 2009**

SALE TIME: __: __ .m., Eastern Time**

ELECTRONIC BIDS: Must be submitted through **PARITY**® as described below.

No other form of bid or provider of electronic bidding services will be accepted [except to the extent, if any specifically permitted below].

The Louisville/Jefferson County Metro Government (the “Issuer”) and the Louisville/Jefferson County Revenue Commission will, until __: __ .m., Eastern Time, on _____, 2009, receive in the office of the Director Office of Management and Budget of the Issuer, 611 West Jefferson Street, Louisville, Kentucky 40202, bids for the purchase of all, but not less than all, of the “Louisville/Jefferson County Metro Government, Qualified Energy Conservation Bonds, Series 2009,” (the “Bonds”). The Bonds are more particularly described in the Preliminary Official Statement dated _____, 2009 relating to the Bonds (the “Preliminary Official Statement”), which is available at the i-Deal Prospectus website, www.i-dealprospectus.com. Prior to accepting bids, the Issuer reserves the right to change the principal amount of the Bonds being offered, to change the terms of the Bonds, to postpone the sale to a later date, or to cancel the sale based on market conditions. Notice of a change or cancellation will be announced via the Thompson Municipal News wire at www.tm3.com not later than Noon, Eastern Time, on the day preceding the bid opening. Such notice will specify the revised principal amount or other revised feature, if any, and any later date selected for the sale, which also may thereafter be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated on at least forty-eight (48) hours notice via the Thompson Municipal News wire at. Consideration of the bids and announcement of any award will be made by the Issuer on the Sale Date (as set forth above and in the Bidding Parameters table herein). The Issuer also reserves the right to adjust the principal amount of the Bonds offered, or to cancel the sale of the Bonds after the bids are opened as further described herein. See, ADJUSTMENT OF AMOUNTS.

* Subject to change both before and after award as provided in this Official Notice of Sale.

** Subject to change before the sale date and time as provided in this Official Notice of Sale.

BIDDING PARAMETERS TABLE*

PRICING		PRINCIPAL	
Max. Aggregate Bid Price:	____.____%	Post-bid Principal Increases	____%
Min. Aggregate Bid Price:	____.____%	Post-bid Principal Reductions	Unlimited
Max. Reoffering Price (each maturity)	[Unlimited] or [____.____%]		
Min. Reoffering Price (each maturity)	____.____%		
PROCEDURAL			
Anticipated Sale Date:	_____, 20		
Bid Submission:	PARITY [only] or [and as permitted herein]		
All or None?	Yes		
Bid Award Method			
Bid Confirmation:	Fax Signed PARITY screen, or direct telephone contact		
Good Faith Deposit:	\$_____; [Surety bond required prior to bid]		
[Insurance:	May be purchased by the bidder at its option and cost]		

* If numerical or date references contained in the body of this Official Notice of Sale conflict with the Bidding Parameters Table, the Bidding Parameters Table shall control. Consult the body of this Official Notice of Sale for a detailed explanation of the items contained in the Bidding Parameters Table, including interpretation of such items and methodologies used to determine such items.

THE BONDS

The Bonds will be issued in fully registered, book-entry only form, without coupons, will be dated as of the Dated Date set forth in the Bidding Parameters Table, will be issued in denominations of \$5,000 or integral multiples thereof, and will, if determined by the Issuer at the recommendation of the Co-Financial Advisors, bear interest from their Dated Date until paid or duly called for redemption at the annual rate or rates specified by the successful bidder, subject to the limitations specified below, payable as shown on the Bidding Parameters Table. Interest will be computed on the basis of a 360 day year of twelve 30 day months. The Bonds will not bear interest, if determined by the Issuer at the recommendation of the Co-Financial Advisors. The Bonds must meet any minimum and maximum pricing criteria shown in the Bidding Parameters Table.

The Bonds will mature on _____, 20___. Bidders are required to bid a cash price of not less than par of the aggregate principal amount of the Bonds to be issued. The successful bidder(s) constituting “taxpayers” within the meaning of Section 54A of the Internal Revenue Code will be entitled to the credit (the “Tax Credit”) against Federal income taxes applicable to qualified energy conservation bonds thereunder. No bid will be accepted for the purchase of less than all of the Bonds. Upon delivery of the Bonds, payment of the amount due must be made by the purchaser in funds payable to the order of and immediately available to the Issuer.

ADJUSTMENT OF AMOUNTS AND MATURITIES

Prior to the sale date, the Issuer may cancel the sale of the Bonds or adjust the aggregate principal amount of the Bonds. Notice of a change or cancellation will be announced via the Thompson Municipal News wire at www.tm3.com not later than Noon, Eastern Time, no later than the day preceding the bid opening.

After the receipt and opening of the bids for their purchase, the Issuer may cancel the sale of the Bonds or adjust the aggregate principal amount of the Bonds; provided that such adjustments are within the limitations set forth in the Bidding Parameters Table, calculated based on the applicable bid amount. The Issuer will consult with the successful bidder before canceling the sale of the Bonds; however, the Issuer reserves the sole right to make adjustments, within the limits described above, or to cancel the sale of the Bonds in the Issuer’s sole and absolute discretion. The Issuer intends to notify the successful bidder, if any, of any adjustments made after the opening of the bids promptly and in any event not later than twenty-four (24) hours after the bid opening (unless waived by the successful bidder). Adjustments within the limits described above will not relieve the successful bidder from its obligation to purchase all of the Bonds offered by the Issuer, assuming the Issuer has satisfied all other conditions of this Official Notice of Sale.

If the principal amount of the Bonds is revised after the award, the interest rate, if applicable, and reoffering price (as a percentage of principal) for the Bonds and the Underwriter’s Discount on the Bonds as submitted by the successful bidder shall be held constant. The “Underwriter’s Discount” shall be defined as the difference between the purchase price of the Bonds submitted by the bidder and the price at which the Bonds will be issued to the

public, calculated from information provided by the bidder, divided by the par amount of the Bonds bid.

FORM AND PAYMENT

The Bonds will be issued in fully registered, book-entry only form and a bond certificate for the one maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co. Principal of premium, and interest, if applicable, if any, on the Bonds will be payable by the Bond Registrar (as defined below) by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal, premium, if any, and interest, if applicable, payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the Issuer nor the Bond Registrar will be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. The successful bidder will be required to furnish to DTC within 7 days after the sale the customary underwriter’s questionnaire and information as to each DTC participant and the Bonds to be held for it.

Principal of, and premium, if any, on the Bonds will be payable on surrender thereof at the principal office of the Bond Registrar (the “Bond Registrar”) for the Bonds, on the maturity date of the Bonds. Interest, if applicable, on the Bonds is payable on the dates shown in the Bidding Parameters Table. Interest payments, if applicable, on the Bonds will be mailed by the Bond Registrar on each interest payment date to the owners of the Bonds at the addresses listed on the registration books maintained by the Bond Registrar for such purpose. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal, interest, if applicable, and any redemption premium on the Bonds will be made to DTC or its nominee.

PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT

The Issuer has authorized the preparation and distribution of a Preliminary Official Statement dated _____, 20__ (the “Preliminary Official Statement”) containing information relating to the Bonds and the Tax Credits. The Issuer will furnish the successful bidder on the date of closing, with a certificate, in its usual form, of an official of the Issuer, dated the date of the original issuance and delivery of the Bonds, stating that as of the date thereof, to the best of the knowledge and belief of said official, the Official Statement does not contain an untrue statement of a material fact concerning the Issuer or omit to state any material fact necessary in order to make the statements made therein concerning the Issuer, in the light of the circumstances under which they were made, not misleading.

The Preliminary Official Statement and this Official Notice of Sale will be available electronically at i-Deal’s website, www.i-dealprospectus.com. Assistance in obtaining the

documents will be provided by i-Deal's customer service at telephone number (212) 404-8104 or from Public Financial Management, Inc., 530 Oak Court Drive, Suite 145, Memphis, Tennessee 38117-3722, telephone number (901) 682-8356, or Morgan Keegan & Company, Inc., 50 North Front Street, 16th Floor, Memphis, Tennessee 38103, telephone number (901) 579-4393, or (Attention: _____).

The Issuer deems, for purposes of Securities and Exchange Commission Rule 15c2-12, its Preliminary Official Statement relating to the Bonds to be final as of its date, except for information permitted by that Rule to be omitted from the Preliminary Official Statement including the following information relating to the Bonds: the offering prices, interest rates, if applicable, selling compensation, principal amount, delivery date, any other terms or provisions to be determined by competitive bidding, ratings, other terms depending on such matters and the identity of the underwriters. The Preliminary Official Statement is subject to amendment or modification as deemed necessary by the Issuer. The Preliminary Official Statement is subject to revision and completion in a final Official Statement.

The Issuer undertakes to provide a reasonable number of copies (not to exceed [200] copies) of a final Official Statement, which will be complete in all material respects up to the date of the original issuance and delivery of the Bonds, without cost to the successful bidder for the Bonds, no more than seven (7) business days after the date of the sale of the Bonds, such copies to be in sufficient quantity for the successful bidder to comply with Rule 15c2-12 of the Securities and Exchange Commission and the rules of the Municipal Securities Rulemaking Board; provided that the successful bidder cooperates in providing information required to complete the final Official Statement.

If the Bonds are awarded to a syndicate, the Issuer will designate the senior managing underwriter of the syndicate as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. Any underwriter submitting a bid with respect to the Bonds agrees thereby that if its bid is accepted, it shall accept such designation and shall enter into an appropriate contractual relationship with all participating underwriters for the purpose of assuring the receipt and distribution by each participating underwriter of the Final Official Statement.

Notwithstanding the generality of the foregoing, by making a bid for the Bonds the successful bidder further affirmatively agrees to: [i] disseminate to all members of any underwriting syndicate copies of the Official Statement, including any supplements prepared by the Issuer, [ii] promptly file a copy of the final Official Statement, including any supplements prepared by the Issuer, with each nationally recognized Municipal Securities Information Repository and [iii] take any and all other actions necessary to comply with applicable rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board governing the offering, sale and delivery of the Bonds to ultimate purchasers.

CONTINUING DISCLOSURE

In order to assist bidders in complying with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule"), the Issuer intends, for the benefit of the respective holders of the Bonds, to execute a Continuing Disclosure Certificate

dated as of the date of original issuance of the Bonds (the “Disclosure Certificate”), setting forth the undertaking of the Issuer to provide certain annual financial reports and notices of the occurrence of certain events, if material. A description of this undertaking, including certain limitations thereon, is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. The Issuer will deliver the Disclosure Certificate at the closing of the Bonds. The Issuer has never failed to materially comply with any continuing disclosure obligations relating to any bonds for which the Issuer was an “obligated person” within the meaning of the Rule.

TAX STATUS, LEGAL OPINION, CLOSING DOCUMENTS AND NO LITIGATION

The approving legal opinion of Wyatt, Tarrant & Combs, LLP/Stites & Harbison, PLLC, Louisville, Kentucky, bond counsel, will be furnished without cost to the purchaser of the Bonds. A summary description of the tax treatment of the Bonds is contained in the Preliminary Official Statement under the heading “_____.” The proposed form of legal opinion of bond counsel is attached as an appendix to the Preliminary Official Statement.

In addition to the Disclosure Certificate described above under “Continuing Disclosure,” there will also be furnished the usual closing documents, including a certificate of the Issuer dated the date of delivery of the Bonds, stating that there is no litigation pending or, to the knowledge of the Issuer, threatened affecting the validity of the Bonds.

BIDDING PROCEDURE; OFFICIAL BID FORMS

Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile directly to the Issuer will be accepted. Bidders are permitted to submit bids for the Bonds during the bidding time period, provided they are eligible to bid as described under “ELIGIBILITY TO BID” below.

Each bid must be unconditional and received by PARITY® before the Sale Time set forth in the Bidding Parameters Table, accompanied by a financial surety bond, as a Good Faith Deposit as described under "GOOD FAITH DEPOSIT" below. No proposal to purchase the Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to any limitations which may be imposed by PARITY®, modify the proposed terms of its bid in which event the proposed terms last modified will constitute its bid for Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Bonds on the terms provided in the bid and this Official Notice of Sale.

[If applicable, on recommendation of the Co-Financial Advisors, the following provisions may be substituted, in whole or in part for the above provisions under this heading: Each bid for the Bonds must be submitted in writing on an “Official Bid Form,” signed by the bidder or an authorized representative of the bidding syndicate, and either [i] enclosed in a sealed envelope clearly marked “Bid for Bonds” and delivered to the office of the Director Office of Management and Budget of the Issuer specified above, prior to the deadline for submission of bids or [ii] faxed to the attention of _____, Esq. to fax number _____ or _____; provided that, prior to the deadline for submission of bids, the bidder must actually have confirmed with _____, Esq., at phone number _____, that _____,

Esq., has received the bidder's fax. It is the sole responsibility of the bidder, not the Issuer, to assure that any bid is submitted and received by the Issuer at the appointed time in accordance with the bidding conditions.]

ELECTRONIC BIDDING

Electronic bids may be submitted via PARITY® [if recommended by the Co-Financial Advisors: only]. [If recommended by the Co-Financial Advisors: No other provider of electronic bidding services will be accepted.] The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the Issuer shall have no liability with respect thereto. The Issuer is using electronic bidding as a communications medium and solely as a courtesy to prospective bidders. PARITY® is not acting as the Issuer's agent. The Issuer shall assume no responsibility or liability for bids submitted through such electronic bidding service provider. The Issuer shall not be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the any approved provider's service. Without limiting the generality of the foregoing disclaimers, the Issuer does not assume responsibility for any communications or negotiations between bidders and any electronic bidding service provider, or for any failure of such a provider to accurately or timely submit any electronic proposal.

Each electronic bid submitted via PARITY® shall be deemed an offer, in response to this Official Notice of Sale, and shall be binding on the bidder as if made by a signed, sealed bid delivered to the Issuer. The successful bidder must confirm such bid by a signed PARITY Bid Form and a signed statement of reoffering prices, both delivered by fax to the Issuer (at 502/574-4384, Attention: Director Office of Management and Budget) no later than one hour after being notified by the Issuer of being the winning bidder, the original of each of which must be received by the Issuer on the following business day at the address shown above. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Bonds.

Any electronic proposals shall be deemed to incorporate all of the provisions of this Official Notice of Sale. If any provision of this Official Notice of Sale conflicts with information provided by PARITY® [or with information provided by any other electronic bidding service provider permitted by this Official Notice of Sale], this Official Notice of Sale shall control. The Issuer is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Sale. The time as maintained by PARITY® shall constitute the official time with respect to all bids submitted.

ELIGIBILITY TO BID

The Issuer does not have a registration requirement for prospective bidders. However, it is the Issuer's understanding that bidders submitting electronic bids to PARITY® as contemplated by this Official Notice of Sale must be contracted customers of the BidCOMP Competitive Bidding System and should promptly contact PARITY® directly at (212) 404-8102 for further information about PARITY®, including its current rules and fees, and the current procedure for becoming a contracted customer. Each bidder shall be solely responsible for making necessary arrangements to access an approved electronic bidding service provider for purposes of submitting such bidder's bid in a timely manner and in compliance with the

requirements of the Issuer pursuant to this Official Notice of Sale. The Issuer shall have no duty or obligation to provide or assure such access to any bidder. Without limiting the generality of the foregoing, bidders submitting an electronic proposal must fulfill any requirements of the bidding service provider, if any, over and above the requirements of the Issuer set forth in this Official Notice of Sale.

FORM OF BID, INTEREST RATES, IF APPLICABLE, AND BID PRICES

All bids must conform to the requirements of this Official Notice of Sale. Bidders must bid to purchase all the Bonds. No bid will be considered that does not offer to purchase all of the Bonds. Each bid must specify (i) an annual rate of interest, (ii) a reoffering price or yield for the Bonds and (iii) a dollar purchase price for the entire issue of the Bonds.

A bidder must specify the rate of interest per annum which the Bonds are to bear, to be expressed in the coupon rate multiples set forth in the Bidding Parameters Table.

Each bid for the Bonds must meet the minimum and maximum pricing criteria shown in the Bidding Parameters Table.

Each bidder must specify, as part of its bid, the prices or yields at which a substantial amount (i.e., at least 10%) of the Bonds will be offered and sold to the public. Reoffering prices presented as a part of the bids will not be used in computing the bidders' true interest cost. As promptly as reasonably possible after bids are received, the Issuer will notify the successful bidder that it is the apparent winner.

MUNICIPAL BOND INSURANCE

Each bidder for the Bonds must specify, as part of its bid, whether a commitment for bond insurance has been obtained by such bidder for all or a portion of the debt service on the Bonds and, if so, the amount of the premium for such insurance. The amount of any such premium must be included in the purchase price for the Bonds. The failure of a bidder to specify insurance in its bid will constitute a representation that the bidder has not obtained such an insurance commitment. The successful bidder must furnish certificates from the insurer, satisfactory to the Issuer in form and substance, delivered simultaneously with delivery of the Bonds. Qualification of insurance for the Bonds is borne by the bidder.

By purchasing a municipal bond insurance policy insuring payment of all or a portion of the debt service payable on the Bonds, the successful bidder agrees that it does so at its own risk and expense and the obligation of the successful bidder to pay for the Bonds shall not be conditioned on the issuance of such municipal bond insurance policy. The Issuer will cooperate with the successful bidder in obtaining such insurance, but the Issuer will not enter into any additional agreements with a bond insurer. Without limiting the generality of the foregoing, the successful bidder will be responsible for all costs, expenses and charges associated with the issuance of such insurance, including but not limited to the premium for the insurance policy as described above and any taxes related thereto, and excluding only the fees of Moody's Investors Service and Standard & Poor's Ratings Service.

AWARD OF BID

The Issuer expects to award the Bonds to the winning bidder on the Sale Date. It is anticipated that all bids will be reviewed by the Director Office of Management and Budget of the Issuer and the President or Secretary-Treasurer of the Revenue Commission at the time stated above and will be acted on following the opening, tabulation and verification of the bids received. The decision as to the award of the Bonds will be final. Bids may not be withdrawn prior to the award.

Unless all bids are rejected, the Bonds will be awarded by the Issuer on the Sale Date to the bidder whose bid complies with this Official Notice of Sale and results in the lowest true interest cost to the Issuer. The lowest true interest cost will be determined in accordance with the True Interest Cost ("TIC") method by doubling the annual interest rate, [Effect of Tax Credit Rate], compounded semi-annually, necessary to discount the debt service payments from the payment dates to the Dated Date of the bonds and to the aggregate purchase price of the bonds. If two (2) or more bidders offer to purchase the Bonds at the same lowest TIC, the Bonds may be apportioned between such bidders if it is agreeable to each of the bidders who have offered the price producing the same lowest TIC; provided, that if apportionment is not acceptable to such bidders, the Issuer will have the right to award the Bonds to one of such bidders. There will be no auction. Alternatively, if recommended by the Co-Financial Advisors: The Bonds will be awarded to the bidder offering to purchase the Bonds at the lowest net interest cost ("NIC") to the Issuer set forth in this Official Notice of Sale. "Net Interest Cost" for this purpose means the nominal interest rate on the Bonds based on the total dollar amount of interest [plus Tax Credit] over the term of the Bonds, minus the amount of any premium or plus the amount of any discount. If two (2) or more bidders offer to purchase the Bonds at the same lowest NIC, the Bonds may be apportioned between such bidders if it is agreeable to each of the bidders who have offered the price producing the same lowest NIC; provided, that if apportionment is not acceptable to such bidders, the Issuer will have the right to award the Bonds to one of such bidders. There will be no auction.

RIGHT OF REJECTION

THE RIGHT IS EXPRESSLY RESERVED TO REJECT ANY AND ALL BIDS OR TO WAIVE IRREGULARITIES IN ANY BID.

The Issuer further expressly reserves the right (i) to waive any informalities, (ii) to reject any incomplete bid or any bid not fully complying with all of the requirements set forth herein, and (iii) to solicit new bids or proposals for the sale of the Bonds or otherwise provide for the public sale of the Bonds if all bids are rejected or the winning bidder defaults, including, without limitation, sale of the Bonds to one or more of the losing or rejected bidders without regard to their original bid or its relationship to any other bid to the extent permitted by law.

DELIVERY AND PAYMENT

Absent any failure of performance by the successful bidder, delivery of the Bonds is expected to be made by the Issuer to DTC in book-entry only form, in New York, New York, on

or about the Delivery Date shown in the Bidding Parameters Table, or on or about such other date as may be agreed on by the Issuer and the successful bidder.

At the time of delivery of the Bonds, payment of the amount due for the Bonds must be made by the successful bidder to the order of the Issuer in immediately available Federal Funds or other funds immediately available to the Issuer, or by such other means as may be acceptable to the Director Office of Management and Budget of the Issuer. Any expense incurred in providing immediately available funds, whether by transfer of Federal Funds or otherwise, shall be borne by the bidder.

GOOD FAITH DEPOSIT

No certified or bank cashier's check will be required to accompany a bid, but each bid for the purchase of the Bonds must be accompanied by a financial surety bond which guarantees payment to the Issuer of the Good Faith Deposit amount shown in the Bidding Parameters Table to secure the Issuer against any loss resulting from a failure of the successful bidder to take up and pay for the Bonds in accordance with the terms of this Official Notice of Sale and of their bids. Each financial surety bond must be from an insurance company acceptable to the Issuer and licensed to issue such a bond in the Commonwealth of Kentucky. Each financial surety bond must be submitted to the Director Office of Management and Budget (611 West Jefferson Street; Louisville, KY 40202) prior to the time bids are required to be submitted and must be in form and substance acceptable to the Issuer. Each financial surety bond must identify each bidder whose deposit is guaranteed by such financial surety bond.

The successful bidder for the Bonds is required to submit its Good Faith Deposit to the Issuer in the form of a wire transfer in federal funds not later than 12:30 p.m., Eastern Time, on the next business day following the Sale Date. If such deposit is not received by that time, the relevant financial surety bond will be drawn on by the Issuer to satisfy the deposit requirement.

The Good Faith Deposit so wired will be retained by the Issuer until the delivery of the Bonds, at which time the good faith deposit will be applied (without interest) against the purchase price of the Bonds or the good faith deposit will be retained by the Issuer as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of the Official Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the Issuer. The balance of the purchase price must be wired by the successful bidder in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

CUSIP NUMBERS; EXPENSES OF THE BIDDER

It is anticipated that CUSIP numbers will be assigned to each of the Bonds, but neither the failure to type or print such numbers on any of the Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The policies of the CUSIP Service Bureau will govern the assignment of specific numbers to the Bonds. No CUSIP identification number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the Issuer or any of its officers or agents because of or on account of such numbers. The successful

bidder will be responsible for applying for and obtaining, subject to the CUSIP Service Bureau policy and procedures, CUSIP numbers for the Bonds promptly on award of the bid. All expenses of typing or printing CUSIP numbers for the Bonds will be paid by the Issuer; provided the CUSIP Service Bureau charges for the assignment of the numbers shall be the responsibility of and shall be paid by the successful bidder.

All charges of The Depository Trust Company (DTC) and all other expenses of the successful bidder will be the responsibility of the successful bidder for the Bonds.

REOFFERING PRICE CERTIFICATE

Simultaneously with or before the delivery of the Bonds, and as a condition to the award and delivery of the Bonds, the successful bidder on behalf of itself and its syndicate or selling group shall certify to the Issuer as to the following matters: (i) the bona fide initial or reoffering prices of the Bonds to the public, excluding bond houses, brokers and other intermediaries (as shown on the bidder's winning bid); (ii) that a substantial amount of the Bonds of each maturity have been sold to the public (excluding bond houses, brokers and other intermediaries) at such prices; and (iii) that the successful bidder affirmatively acknowledges that the Issuer will rely on such certification in making the Issuer's certification at closing with respect to, and otherwise complying with, the arbitrage provisions of the Internal Revenue Code. The reoffering prices described above may not be greater or less than the maximum and minimum reoffering prices set forth in the Bidding Parameters Table for both the entire issue and each maturity.

ADDITIONAL OBLIGATION OF SUCCESSFUL BIDDER

As a condition to the award of the Bonds (and to the Issuer's obligation to deliver the Bonds pursuant to the bid of the successful bidder), the successful bidder agrees by submitting its bid that the successful bidder shall supply the names and tax identification numbers of the registered owners of beneficial interests in the Bonds to be delivered, and the denomination of each such Bond (\$5,000 or any multiple of \$5,000), not later than seven (7) days prior to the date of delivery, by written direction to the Bond Registrar for the Bonds,
_____.

ADDITIONAL INFORMATION

This Official Notice of Sale is not a summary of the terms of the Bonds. Reference is made to the Preliminary Official Statement for a further description of the Bonds and the Issuer. Prospective investors or bidders for the Bonds must read the entire Preliminary Official Statement to obtain information essential to making an informed investment decision. Additional information concerning the matters discussed in this Official Notice of Sale, and copies of the Official Bid Form and Preliminary Official Statement may be obtained from the Director Office of Management and Budget of the Issuer, at telephone number (502) 574-1218 or _____@loukymetro.org, or from _____ or _____, Public Financial Management, Inc., at telephone number (901) 682-8356 or Morgan Keegan & Company, Inc., telephone number (901) 579-4393.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By: /s/
Director Office of Management and Budget

LOUISVILLE/JEFFERSON COUNTY REVENUE
COMMISSION

By: /s/
Secretary-Treasurer

Dated: _____, 20__

LM020:00LM2:752719:6:LOUISVILLE